

LIBERTY INTERNATIONAL UNDERWRITERS

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**CONTRACTORS POLLUTION LIABILITY
OCCURRENCE POLICY**



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discharge, release or escape or any series of continuous, repeated, or related emissions, discharges, releases or escapes shall be deemed to be one "pollution condition".

19. "Property damage" means:

- a. Physical injury to or destruction of "natural resources" or other tangible property, including all resulting loss of use and diminution in value of that property; or
- b. Loss of use, but not diminution in value, of "natural resources" or other tangible property that is not physically injured.

Property damage does not include "environmental damage".

20. "Responsible insured" means:

- a. an officer, director or partner of any "insured"; or
- b. the manager or supervisor of any "insured" responsible for environmental affairs, control or compliance.

21. "Your product" means any goods or products (other than real property) manufactured, sold,

handled, distributed or disposed of by you, others trading under your name, or a person or organization whose business or assets you have acquired; and containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and the providing of or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work" means work or operations performed by you, or any entity for whom you are legally liable; and materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your work; and the providing of or failure to provide warnings or instructions.

In witness whereof, the company has caused this policy to be signed by its President and its Secretary at Boston, Massachusetts, and countersigned by a duly authorized representative of the company.

President

Secretary

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No lessor is an insured with respect to any "bodily injury", environmental damage" or "property damage" which takes place after the equipment lease expires or the end of the policy period, whichever occurs first; or any "bodily injury", environmental damage" or "property damage" arising out of the sole negligence of the lessor; and

- g. Any organization in which you maintain a joint venture interest provided you are named as a co-venturer in such joint venture, but only as respects to your liability arising out of "covered operations" rendered for such joint venture.

10. "Insured contract" means:

- a. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- b. that part of any other written contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "clean-up costs" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

11. "Loss" means:

- a. Monetary awards or settlements of compensatory damages arising out of "bodily injury" or "property damage";
- b. "clean-up costs";
- c. civil fines, civil penalties, and civil assessments;

- d. where allowable by law, punitive, exemplary, or multiple damages; or

- e. "defense expense".

12. "Mediation" means the non-binding intervention of a neutral third-party to effect settlement of a "claim".

13. "Mitigation expense" means reasonable and necessary costs incurred to mitigate "pollution conditions" constituting an emergency situation whereby in the absence of such mitigation, "bodily injury" or "property damage" to third parties is imminent, or pursuant to "environmental laws", "clean-up costs" are incurred

14. "Named insured" means the person or entity named in the Declarations of this policy.

15. "Natural resources" means land, fish, wildlife, biota, air, surface water, ground water, drinking water supplies and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States, any state or local government, any foreign government, any Indian tribe, or if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

16. "Non-admitted jurisdiction" means a jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, defending or settling any "claim".

17. "Pollutants" means any solid, liquid, gaseous, thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

18. "Pollution Conditions" means the emission, discharge, dispersal, release or escape of "pollutants", provided such are not naturally occurring. The entirety of any such emission,

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laws", or that have been actually incurred by third parties.

5. "Covered operations" means those operations stated in the Declarations.
6. "Defense expense" means fees charged by any lawyer designated by us; and all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim", if authorized by us, but without any obligation on our part to appeal a "claim".
7. "Environmental damage" means the injurious presence of "pollutants" resulting in "clean-up costs".
8. "Environmental laws" means any legislatively or administratively enacted law, rule, regulation or order applicable within the jurisdiction in which "professional services" or "covered operations" are being or have been performed.
9. "Insured" means:
 - a. the "named insured";
 - b. any person(s) or organization(s) named as an insured in the Declarations or any endorsement attached to this policy;
 - c. any past or present director, officer, partner, or employee of each insured as identified in a., and b. above, including a temporary or leased employee, while acting within the scope of his or her duties as such;
 - d. any organization you newly acquire or form during the policy period and over which you maintain ownership or majority interest, but only with respect to "covered operations" rendered on or after the acquisition or formation date of such organization.

In the event such newly acquired or formed organization increases the "named insured's" gross revenue by more than

20% or a material change in the overall nature of "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable occurs, you must notify us in writing of such newly acquired or formed organization and we must consent to such newly acquired or formed organization being added as "insured" before such coverage applies to that organization. We reserve the right to request additional premium for such consent which shall not be unreasonably withheld.

No person or organization is an "insured" with respect to "loss" arising from "pollution conditions" caused by "covered operations" that occurred before you acquired or formed such organization;

- c. Any client for whom you perform or performed "covered operations", provided you are contractually obligated to add such person or organization as an insured to the policy. However such client's are covered under this policy solely with respect to "loss" arising from "pollution conditions" caused by "covered operations" performed by you and are not covered for any "loss" arising from the clients' own liability. Your clients are covered under this policy only for the Limits of Liability up to and not exceeding the amount required by the written contract with you and further, subject to the Limits of Liability of this policy;
- f. Any lessor of equipment leased to you is an insured, but only with respect to "bodily injury", "environmental damage" or "property damage" arising out of the maintenance, operation or use by you of the equipment and only if you are contractually obligated to provide such coverage as is afforded by this policy.

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will not be affected by our failure to comply with any of the provisions of this Condition.

No "insured" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

18. Transfer of Rights of Recovery Against Others to Us

In the event of any payment under this policy, we shall be subrogated to all of your rights of recovery therefor against any person or organization and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights including without limitation, assignment of your rights against any person or organization on account of which we made any payment under this Policy. You shall do nothing to prejudice our rights under this paragraph. Any recovery as a result of subrogation proceedings arising out of the payment of "loss" covered under this Policy shall accrue first to you to the extent of any payments in excess of the Limits of Insurance; then to us to the extent of our payment under the Policy; and then to you to the extent of your Deductible. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery.

19. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual "named insured".

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

20. Voluntary Payments

SECTION VI - DEFINITIONS

1. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment.
2. "Bodily injury" means physical injury, or sickness, disease, or mental anguish or emotional distress when accompanied by physical injury, sustained by any person, including death resulting therefrom.
3. "Claim" means a written demand received by the "insured" seeking a remedy or asserting liability or responsibility on the part of the "insured" for "loss". Claim also includes:
 - a. Civil proceedings in which liability for "loss" to which this insurance applies is alleged; or
 - b. An arbitration proceeding in which such liability for "loss" is claimed and which you must submit or do submit with our consent; or
 - c. Any other alternative dispute resolution proceeding in which such liability for "loss" is claimed and to which you submit with our consent.
4. "Clean-up costs" means costs, charges and expenses, including reasonable and necessary legal expense incurred with our written consent, to investigate, neutralize, remove, remediate, monitor and dispose of "pollutants" to the extent required by "environmental laws" or that have actually been incurred by any governmental entity duly acting under the authority of "environmental

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and that this Policy embodies all agreements existing between you and us or any of our agents relating to this insurance.

15. Rights of the Company in the Event of Pollution Conditions

We shall have the right but not the duty to clean-up or mitigate "pollution conditions" upon receiving written notice as provided in SECTION V, paragraph 7. of this policy.

Any sums expended by us under the preceding paragraph will be deemed incurred or expended by the "insured", shall be subject to the applicable deductible and shall reduce the Limits of Insurance.

16. Separation of Insureds

Except with respect to the Limits of Insurance and SECTION II. EXCLUSIONS, paragraph 5., and any rights or duties specifically assigned to the "named insured", this insurance applies: (1) as if each "insured" were the only "insured"; and (2) separately to each "insured" against whom a "claim" is made.

Misrepresentation, concealment, breach of a term or condition, or violation of any duty under this policy by one "insured" shall not prejudice another "insured" under this policy. Notwithstanding the foregoing, this condition shall not apply to any "insured" that is a parent, subsidiary or affiliate of the "named insured".

17. Transfer of Duties When a Limit of Insurance is Used Up

a. When a Limit of Insurance has actually been used up in payment of "loss":

1. We will notify the "named insured" and any "insured" against whom a "claim" is pending, in writing, as soon as practicable, that:

(i) Such limit has actually been used up; and

(ii) Our duty to defend "claims" subject to that limit has also ended.

2. The "named insured" and any "insured" against whom a "claim" is pending will, as soon as practical, arrange for the transfer of control of the defense of all such "claims" against any "insured".

3. We will assist in, and all "insureds" must cooperate in, the transfer of control of the defense of all "claims" which are subject to that limit and which are reported to us before that limit is used up.

4. We will take steps we deem appropriate to avoid a default in, or continue the defense of such "claims" until the transfer is completed, provided the appropriate "insured" is cooperating in completing such transfer. The "named insured" and any "insured" against whom a "claim" is pending will reimburse us for any expenses we incur (for which expenses each "named insured" and each "insured" against whom a "claim" is pending are jointly and severally liable) in taking such steps on and after the date on which the applicable Limit of Insurance is used up.

5. We will take no action whatsoever with respect to any "claim" reported to us after the applicable Limit of Insurance has been used up.

b. The duty to reimburse us will begin on the date the applicable Limit of Insurance is used up. The exhaustion of any limit of insurance by the payment of "loss" and the resulting end of our duty to defend,

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- a. To join us as a party or otherwise bring us into a "claim" asking for damages from an "insured"; or
- b. To bring an action under this policy unless all of its terms have been fully complied with.

A person or organization may bring an action to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial in a civil, arbitration or alternative resolution proceeding; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured" and the claimant or the claimant's legal representative.

13. Other Insurance

Where other insurance may be available for "loss" covered under this policy, you shall promptly provide us with copies of such policies.

If other valid and collectible insurance is available to the "insured" for "loss" we cover under this policy, our obligations are limited as follows:

Primary Insurance

This insurance is primary and our obligations are not affected unless any of the other insurance is also primary. In that case, we will share with all such other insurance by the method described in Method of Sharing described below.

Method of Sharing

If all of the other insurance permits contribution of equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has

paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

Excess Insurance

This insurance is excess where:

- a. you are an "insured" on an insurance policy that applies to "professional services" or "covered operations" performed at a specific job site and the insurance policy applies to a specific job site; or
- b. valid and collectible insurance provided to you by any person or organization working under contract for you; or under which you are included as an insured.

When this insurance is excess over other insurance, we will pay only our share of the amount of the "loss", if any, that exceeds the sum of the total amount that all other such insurance would pay for the "loss" in the absence of this insurance; and of all deductible and self-insured amounts under all that other insurance. We will share the remaining "loss", if any, with any other insurance that is not described in this Excess Insurance provision and was not purchased specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Insurance.

14. Representations

By accepting this policy, you agree:

The statements in the Declarations, the Application and any material submitted in connection with such Application, which are on file with us, are your agreements and representations, that this Policy is issued in reliance upon the truth of such representations

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retaining competent professional(s) or contractor(s) mutually acceptable to us and the "named insured". We shall have the right but not the duty to review and approve all such actions. The "named insured" shall notify us of actions and measures taken pursuant to this paragraph.

8. Duties of Named Insured

The "named insured" shown in the Declarations shall act for all "insureds" for the following purposes:

- a. To pay all premiums and deductibles when due and be the payee for any return premiums we pay;
- b. To give written notice of any incident, circumstance or event which may reasonably result in a "claim" and/or any "claim" in accordance with the policy;
- c. To give and receive notice of cancellation and non-renewal;
- d. To request changes made to the policy and to receive and accept any endorsements to this policy; and
- e. To report changes in scope or nature of "covered operations" to us.

9. False or Fraudulent Claims

If the "insured" reports a "claim" knowing such "claim" to be false or fraudulent, this policy shall become void and all insurance coverage hereunder shall be forfeited.

10. Inspections and Surveys

We have the right but are not obligated to make inspections, surveys, give you reports on the conditions we find and recommend changes at any time. Any inspections, surveys, reports or recommendations relate only to insurability of the risk and the premiums to be

charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions are safe or healthful; or comply with laws, regulations, codes or standards. This condition applies not only to us, but also to our representatives who conduct such inspections, surveys and reports for us.

11. Joint Duties in a Non-admitted Jurisdiction

For "loss" arising in a "non-admitted jurisdiction", you must report such "claim" for "loss" to an office of ours located within the United States or with our prior written consent to our local branch or affiliate office. We have the right but not the duty to investigate, defend or settle such "claim(s)" for "loss".

If we do not exercise the right to investigate, defend or settle such "claim(s)" for "loss", you may under our supervision:

- a. make such investigation and defense as is reasonably necessary; and
- b. effect settlement of such "claim(s)" for "loss".

We shall reimburse you for the reasonable cost of such actions, subject to all other terms and conditions of the policy.

This insurance shall not serve as proof of insurance in any country where non-admitted insurance is prohibited by local applicable law or without our prior written consent.

We may issue, at our sole discretion, proof of insurance documents to a third party upon your request, but we are not obligated to do so.

12. Legal Action Against Us

No person or organization has a right under this policy:

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the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

6. Currency Provision

The Limits of Insurance and premiums shown in this policy are either United States of America or Canadian currency, contingent upon country of issuance, unless otherwise stated in the Declarations.

Any payments we make will be in the currency shown in the Declarations for the applicable Limits of Insurance.

At our sole option and upon your request, we will make payment in the currency requested. In doing so we will convert the value of applicable payment to the currency requested at the free rate of exchange as published in the Wall Street Journal in effect on the date the "claim" is made.

Upon converting the currency, we will apply all other terms and conditions of this policy to determine the amount of our final loss obligation, but in no event will we pay more than the Limits of Insurance shown in the Declarations.

7. Duties in the Event of any Incident, Circumstance, Event or Claim.

- a. You must see to it that we are notified in writing as soon as practicable of any "pollution conditions" which may reasonably result in a "claim".

To the extent possible, notice should contain particulars sufficient to identify the "insured" and claimant and provide full information with respect to the time, place and circumstances regarding the "pollution conditions" complained of, and the names and addresses of the injured and all available witnesses.

Notice of such "pollution conditions" is not notice of a "claim".

- b. If a "claim" is received by any "insured", you must:

1. Immediately record the specifics of the "claim" and the date received; and
2. You must see to it that we receive written notice of the "claim" as soon as practicable, but in no event later than the end of this policy period.

- c. You and any other involved "insured" must:

1. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
2. Authorize us to obtain records and other information;
3. Cooperate with us in the investigation, settlement or defense of the "claim"; and
4. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury or damage to which this insurance may also apply.

- d. Notice of incidents, circumstances, events or "claims" must be sent to:

Manager, Environmental Claims
Liberty International Underwriters
55 Water Street, 18th Floor
New York, NY 10041

- e. The "insured" shall have the duty to incur "mitigation expense" and to clean-up "pollution conditions" to the extent required by "environmental laws", by

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law of the "named insured's" state of domicile in the construction and interpretation of the provisions of the policy; provided, however, that the terms, conditions, provisions and exclusions of this policy are to be construed in an evenhanded fashion as between the parties. Where the language of this policy is alleged to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the policy (without regard to the authorship of the language, the doctrine of reasonable expectation of the parties and without any presumption or arbitrary interpretation or construction in favor of either party or parties, and in accordance with the intent of the parties).

The written decision of the arbitrator(s) shall set forth its reasoning, and it shall be provided simultaneously to both parties and shall be binding on them. The arbitrators' award shall not include attorney fees or other costs. Judgment on the award may be entered in any court of competent jurisdiction. Each party shall bear equally the expenses of arbitration.

2. Audit of Books and Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three (3) years afterwards.

3. Bankruptcy

Bankruptcy or insolvency of the "insured" or of the "insured's" estate will not relieve us of our obligations under this policy.

4. Cancellation

- a. The "named insured" shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy only for the reasons stated below by mailing or

delivering to the "named insured" written notice of cancellation at least 10 days before the effective date of cancellation if we cancel for nonpayment of premium or 60 days before the effective date of cancellation if we cancel for any other reason.

1. Material misrepresentation by the "insured".
2. The "insured's" failure to comply with the material terms, conditions or contractual obligations under this policy.
3. Non-payment of premium by the "named insured".
4. A material change in "covered operations" during the policy period that materially increases the risk insured under this policy.

- c. We will mail or deliver our notice to the "named insured's" last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is canceled, we will send the "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the "named insured" cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The "named insured" shown in the Declarations is authorized to make changes in

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The policy Aggregate Limit stated in the Declarations is the most we will pay for the sum of all "loss" covered under this policy.

2. Each Incident Limit

Subject to the Aggregate Limit, the Each Incident Limit stated in the Declarations is the most we will pay for the sum of all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions".

3. Multiple Policy Periods, Multiple Claims

If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

- a. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and
- b. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.

4. Deductible

Our obligation to make payments under this insurance for "loss" is excess of the deductible amount stated in the Declarations of this policy.

We may advance payment of part or all of the deductible and, upon notification of such payment made, the "named insured" shall

promptly reimburse us within thirty (30) days. The "named insured" stated in the Declarations is responsible for the payment of all deductible amounts on behalf of all persons or organizations insured. Payment of "loss" within the deductible will not create any obligations or be construed as a waiver or estoppel of our rights under the policy.

The deductible amount applies to all "loss" arising from the same, related, or continuous "pollution conditions".

5. Mediation

If the "named insured" and the company jointly agree to utilize "mediation" as a means to resolve a "claim" made against the "insured", and if such "claim" is resolved as a direct result of and during such "mediation", the deductible obligation stated in the Declarations shall be reduced by 50% subject to a maximum reduction of \$20,000. The company shall reimburse the "named insured" for any such reimbursable deductible payments made prior to the "mediation" as soon as practical after the conclusion of such "mediation".

SECTION V - CONDITIONS

1. Arbitration

Any dispute, controversy or "claim" arising out of or relating to this policy shall be finally and fully resolved through arbitration in accordance with the commercial arbitration rules of the American Arbitration Association. The arbitrator(s) and the number of arbitrators shall be chosen in the manner and within the time frames provided by such rules.

The arbitration proceeding shall take place in the "named insured's" state of domicile or in the domicile of the "insured", person or entity seeking relief from us or from whom we are seeking relief. The arbitrator(s) shall give due consideration to the general principles of the

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11. Professional Services

"Loss" arising from the performance of or failure to perform professional services or providing or failing to provide professional advice, whether or not that service or advice is ordinary to the "insured's" business, regardless of whether a "claim" is made by a client or any other person or organization.

This exclusion does not apply to improper or inadequate supervision of any entity for which you are legally liable when performing "covered operations" at a job site.

12. Radioactive Matter

"Loss" arising from the actual, alleged or threatened exposure of person(s) or property to any radioactive matter, whether naturally occurring or otherwise.

13. Related or Affiliated Entities

"Loss" arising from any "insured's" involvement in "covered operations" performed by or on behalf of any business enterprise not named in the Declarations that wholly or partly owns the "insured" or which to any extent controls, operates, or manages the "insured", or that is wholly or partly owned by an "insured", or in which an "insured" is an officer, partner or employee, or which is to any extent controlled, operated, or managed by the "insured".

14. Vehicles

"Loss" arising from the ownership, maintenance, use, operation, or entrustment to others of any "auto" aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode. Use includes loading and unloading.

This exclusion does not apply to "loss" arising from the ownership, maintenance, use, operation, or entrustment to others of any "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode

used in the performance of "covered operations" within the boundaries of a job site.

15. Transported Materials

"Loss" arising from any waste or any products or materials transported, shipped, or delivered via "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode, to a location beyond the boundaries of a site at which the "insured" or any entity for which you are legally liable is performing or has performed "covered operations".

16. Workers Compensation

"Loss" arising from any obligation of the "insured" under workers' compensation, unemployment compensation or disability benefits law or similar law.

SECTION III - COVERAGE TERRITORY

This policy applies to "claims" made anywhere in the world except; Afghanistan, Angola, Cuba, Haiti, Iran, Iraq, Libya, North Korea or the Federal Republic of Yugoslavia (Serbia and Montenegro).

SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLE

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of "insureds", "pollution conditions", "claims" made; or persons or organizations making "claims".

The Limits of Insurance apply to the entire policy period and not separately to any portion (whether annual or otherwise) thereof. If the policy period is extended after policy issuance, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

1. Policy Aggregate Limit

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arises was performed by any entity for which you are legally liable.

4. Employers Liability

"Loss" arising from "bodily injury" to:

- a. An employee of an "insured" arising out of and in the course of employment by the "insured" or performing duties related to the conduct of the "insured's" business; or
- b. Any person whose right to assert a "claim" against the "insured" arises by reason of any employment, blood, marital or other relationship with the employee.

This exclusion applies whether the "insured" may be liable as an employer or in any other capacity; and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

5. Insured vs. Insured

"Loss" arising from any "claim" made by or on behalf of an "insured", including any trustee in bankruptcy, receiver or any other successor-in-interest to the "insured", against any other "insured".

This exclusion shall not apply with respect to:

- a. "claims" against you made by any "insured" who is a client for whom the "insured" or any entity for which you are legally liable is performing or has performed "covered operations"; or
- b. "claims" that arise out of an indemnification given by one "insured" to another "insured" in an "insured contract".

6. Intentional and Illegal Acts

"Loss" arising from any dishonest, criminal, fraudulent, malicious, intentional or illegal act or omission of any "responsible insured".

7. Known Circumstances and Non Disclosure

"Loss" arising from any "pollution conditions" caused by "covered operations" which occurred prior to the inception date of this policy, if any "responsible insured" knew or could have reasonably foreseen that such "pollution conditions" would give rise to a "claim" and did not disclose such to us.

8. Noncompliance

"Loss" arising from any "responsible insured's" intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body.

9. Owned Property

"Loss" arising from "property damage" or "clean-up costs" to real or personal property owned, leased, loaned or rented by or to the "insured". However this exclusion does not apply to:

- a. "property damage" or "clean-up costs" to real or personal property of others in your care, custody or control for the purpose of having "covered operations" performed on such property; or
- b. any person or organization qualifying as a client of the named insured under the definition of "insured".

10. Products Liability

"Loss" arising from "your product".

Contractors Pollution Liability Occurrence Policy



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We will have the right and the duty to defend the "insured" against any "claim" brought within the US, its territories or possessions, Puerto Rico or Canada seeking those sums to which this insurance applies; and the right but not the duty to defend the "insured" against any "claim" made in a "non-admitted jurisdiction". We may at our discretion investigate any incident, circumstance or event regardless of whether any "claim" has been made. With respect to any "claim" we defend, we will pay "defense expense" for the investigation, contest, defense or appeal of a specific "claim". We have the absolute right to select and appoint counsel to represent any "insured". All our duties under this policy, including our duty to defend, end when the applicable Limits of Insurance are exhausted. This applies to "claims" pending at the time and those filed thereafter. "Defense expenses" are included in "loss", reduce the applicable limits of liability and are included within the Deductible stated in the Declarations.

Consent to Settlement

We shall not settle any "claim", without the consent of the "insured" to which the offer is made. If, however, that "insured" refuses to consent to any settlement recommended by us and elects to contest the "claim" or continue any legal proceedings in connection with such "claim", our liability for "loss" shall not exceed the amount for which the "claim" could have been settled plus "defense expense" incurred up to the date of such refusal, less the deductible or the outstanding Deductible balance.

Independent Counsel

If, by mutual agreement or by law, the "insured" is entitled to select defense counsel to defend any "claim" at our expense, the attorney fees and all other litigation expenses we must pay to that counsel are limited to the rates we would actually pay to counsel that we retain in the ordinary course of business in the

defense of similar "claims" in the community where the "claim" arose or is being defended. We will have the right to require that such counsel have certain minimum qualifications with respect to competency, including experience in defending claims similar to the one pending against the "insured", and to require such counsel to have errors and omissions insurance coverage. The "insured" agrees that such independent counsel will timely respond to our requests for information regarding any "claim".

SECTION II – EXCLUSIONS

This insurance does not apply to:

1. Contractual Liability

"Loss" arising from the "insured's" assumption of liability in a contract or agreement. This exclusion does not apply to liability for "loss":

- a. assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "environmental damage" or "property damage" occurs subsequent to the execution and before the termination of the contract or agreement; or
- b. that the "insured" would have in the absence of the contract or agreement.

2. Criminal Fines and Penalties

"Loss" arising from criminal fines, criminal penalties or criminal assessments.

3. Damage to Your Product and Your Work

"Loss" arising from damage to "your product" or to "your work" or any part of "your product" or "your work".

This exclusion does not apply if the damaged work or the work out of which the damage

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CONTRACTORS POLLUTION LIABILITY OCCURRENCE POLICY

This policy provides defense within limits coverage. Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as an Insured under this policy. The words, "we", "us" and "our" refer to Liberty Surplus Insurance Corporation but not to other members of the Liberty Mutual Group.

Other words and phrases that appear in quotation marks have special meaning. Refer to **DEFINITIONS (Section VI)**

SECTION I – COVERAGES

1. Insuring Agreement

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- a. in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- b. in the case of "environmental damage" or "property damage", the date of the first

discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

2. Investigation, Defense and Settlement

Investigation and Defense

Contractors Pollution Liability Occurrence Policy



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Nothing in this Endorsement shall be deemed or construed to increase the limits of insurance shown in the Declarations as applicable to each coverage limit or policy aggregate limit.

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



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Declarations; and has at least ten (10) percent of its volume beneath the surface of the ground.

H. **SECTION VI. DEFINITIONS**, paragraphs 10. Insured Contract, 19 Property Damage and 20. Responsible Insured are deleted in their entirety and replaced with the following:

10. "Insured contract" means:
 1. With respect to **Insuring Agreement 1.a., Contractor's Pollution Liability**:
 - a. an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - b. that part of any other written contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "clean-up costs" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
 2. With respect to **Insuring Agreement 1.b., Site Pollution Liability**:
 - a. a contract or agreement designated in an Insured Contract Endorsement to this Policy.
19. "Property damage" means:
 - a. Physical injury to or destruction of "natural resources" or other tangible property, including all resulting loss of use and diminution in value of that property; or
 - b. Loss of use, but not diminution in value, of "natural resources" or other tangible property that is not physically injured.

Property damage does not include "clean-up costs" or "environmental damage".
20. "Responsible Insured" means:
 - a. an officer, director or partner of any "insured";
 - b. any manager of the "covered location"; or
 - c. the manager or supervisor of any "insured" responsible for environmental affairs, control or compliance.

Contractors Pollution Liability Occurrence Policy



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Extended Reporting Period described below; or covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the amount of insurance applicable to such "claim".

2. Extended Reporting for Notified Pollution Conditions

Regardless of this policy being cancelled or not renewed, we will also provide the "named insured" an Automatic Extended Reporting Period for "claims" arising from "pollution conditions" reported to us during the policy period in accordance with the Duties in the Event of Pollution Conditions or Claim provisions of this policy. Under this provision a "claim" arising from such "pollution conditions" reported to us in writing during the policy period that is first made against the "insured" and reported to us in writing within four (4) years after the end of this policy period will be deemed to have been made on the last day of this policy period. This Automatic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the amount of insurance applicable to such "claim".

3. Supplemental Extended Reported Period

An additional Supplemental Extended Reporting Period of four (4) years is available, but only by an endorsement and for an extra charge. This Supplemental Reporting Period does not apply to any "claim(s)" arising from "pollution conditions" covered under the Automatic Extended Reporting Period provisions described above. This Supplemental Extended Reporting Period starts with the end of the policy period. Any "claim" first made against the "insured" and reported to us in writing within the Supplemental Extended Reporting Period will be deemed to have been made on the last day of the policy period. You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will not exceed 200% of the annual premium for this policy.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first made and reported to us during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- G. The following definitions are added to **SECTION VI – DEFINITIONS** with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

"Covered location" means the location(s) designated below:

Scheduled Covered Locations

"Underground storage tank system" means a tank or tanks operated by the "insured", including any connected underground piping, underground ancillary equipment and containment system that are on, within, or under a location designated in the

Contractors Pollution Liability Occurrence Policy



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Relinquishment of Control

"Loss" arising from "pollution conditions" at any "covered location" which commence subsequent to the time such "covered location" is sold, leased, given away, abandoned or operational control has been relinquished by an "insured".

Underground Storage Tanks

"Loss" or "business interruption expense" arising from any "underground storage tank system" that is located at a "covered location" and that any "responsible insured", as of the inception date of this policy period, knew to be present at such "covered location".

This exclusion does not apply to any "underground storage tank system" that is;

- a. located in any underground structure; provided such "underground storage tank system" is installed entirely above the surface of the floor of such underground structure and the entire surface area of the tank can be visually inspected; or
- b. designated in a Scheduled Underground Storage Tank Endorsement if we attach such an endorsement to the policy.

- F. The following is added to **SECTION V - CONDITIONS** with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

SECTION V - EXTENDED REPORTING PERIOD

We will provide an Automatic Extended Reporting Period, and if you purchase it, a Supplemental Extended Reporting Period as described below, if this policy is canceled or not renewed; or we renew or replace this policy with insurance that:

- a. Has a Retroactive Date later than the date shown in the Declarations of this policy; or
- b. Does not apply to "bodily injury", "property damage", or "clean-up costs" on a claims-made basis.

Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. Extended Reporting Periods do not reinstate or increase the Aggregate Limit of Insurance and may not be cancelled once in effect. Extended Reporting Periods apply only to "claims" arising from "pollution conditions" that commence before the end of the policy period and but not before or after the applicable Retroactive Dates, if any, shown in the Declarations.

1. Automatic Extended Reporting Period

We will provide the "named insured" an Automatic Extended Reporting Period. Under this provision the "named insured" shall have sixty (60) days from the end of the policy period to report to us in writing any "claim(s)" first made against the "insured" during the policy period or Automatic Extended Reporting Period. This Automatic Extended Reporting Period does not apply to "claims" that are covered under the Supplemental

Contractors Pollution Liability Occurrence Policy



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If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

1. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and
2. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.

b. Insuring Agreement 1.b., Site Pollution Liability

1. When we, or an affiliate, have issued one or more policies to you on a successive basis providing coverage substantially the same as this policy and a "claim" for "loss" is first made against you and reported to us in writing in accordance with the terms and conditions of this policy, all "claims" arising out of the same, related or continuous "pollution conditions" at or emanating from a "covered location" shall be deemed to have been first made and reported during this policy period, provided that you have maintained insurance substantially the same as this coverage with us or an affiliate on a continuous, uninterrupted basis since the first such "claim" for "loss" was made against you, and reported to us. All such "claims" will be subject to the terms, conditions and Limits of Insurance of this policy.
2. All "claims" for "loss" first made against an "insured" and reported to us during the policy period and arising out of the same, related or continuous "pollution conditions" at or emanating from a "covered location" shall be deemed to be a single "claim" and shall be deemed to have been made at the time the first of those "claims" is made.

E. The following are added to SECTION II – EXCLUSIONS with respect to Insuring Agreement 1.b., Site Pollution Liability:

Asbestos and Lead Paint

"Loss" arising from the actual or alleged presence of or exposure to lead based paint or asbestos, asbestos-containing material, asbestos-based products, asbestos fibers, asbestos dust or asbestos waste installed, stored or applied in or upon any building or structure at the "covered location".

Known Pollution Conditions and Non-disclosure

"Loss" arising from "pollution conditions" which occurred prior to the inception date of this policy, if any "responsible insured" knew or could have reasonably foreseen that such "pollution conditions" would give rise to a "claim" and the "insured" did not disclose such "pollution conditions" to us in the application for this Policy.

Contractors Pollution Liability Occurrence Policy



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1.b. Site Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "claims" for "bodily injury", "property damage" or "clean-up costs" caused by "pollution conditions" at or emanating from a "covered location". Such "pollution conditions" must commence on or after the retroactive date stated below. "Claims" for such "clean-up costs" must first be made against the "insured" and reported to us in writing during the policy period or Extended Reporting Period.

- B. **Item 3. Limits of Insurance and Item 4., Deductible** of the Declarations are amended to include the following:

Item 3. Limits of Insurance

- | | | |
|------|--|---------------|
| A.1. | Each Site Pollution Liability Incident: | \$ 10,000,000 |
| B.2. | Aggregate -- All Site Pollution Liability Incidents: | \$ 10,000,000 |

The Each Site Pollution Liability Incident Limit and Aggregate All Site Pollution Limits are included within and are not in addition to the Aggregate Limits stated in the Declarations.

Item 4. Deductible

Each Site Pollution Liability Incident Deductible: \$ 10,000

- C. The following Retroactive Date will apply with respect to **Insuring Agreement 1.b., Site Pollution Liability**:

Item 7. Site Pollution Liability Retroactive Date:

- D. Paragraphs 2. and 3. of **SECTION IV - LIMITS OF INSURANCE AND DEDUCTIBLE** are deleted and replaced with the following:

2. Each Incident Limit

- a. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions" under Insuring Agreement 1.a., Contractor's Pollution Liability is the Each Incident Limit stated in the Declarations.
- b. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from each "claim" under Insuring Agreement 1.b., Site Pollution Liability is the Each Site Pollution Liability Incident Limit stated in the Declarations.

3. Multiple Policy Periods, Multiple Claims

- a. **Insuring Agreement 1.a., Contractor's Pollution Liability**



Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SITE POLLUTION LIABILITY COVERAGE ENDORSEMENT

| | | | |
|-----------------|---------------------|------------------|---------------|
| Effective Date: | March 1, 2009 | Expiration Date: | March 1, 2010 |
| Policy Number: | UBESF102600019 | Endorsement No. | 9 |
| Issued To: | Cleancescapes, Inc. | | |

It is agreed that:

- A. **SECTION I – COVERAGE** is deleted and replaced with the following:

SECTION I – Insuring Agreements

1.a. Contractor's Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- in the case of "environmental damage" or "property damage", the date of the first discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

Contractors Pollution Liability Occurrence Policy



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"Transported cargo" means "cargo" after it is moved from the place where it is accepted by the "insured" for movement into or onto a "covered auto", until the "cargo" is moved from the "covered auto" to the place where it is finally delivered by the "insured". "Transported cargo" also includes "cargo" during the loading or unloading to or from a "covered auto", provided that the loading or unloading is performed by the "insured". "Transported cargo" does not include "cargo" at rest for a period longer than seventy-two (72) hours after it has been accepted by or on behalf of the "insured" for movement into or onto a "covered auto" but before it reaches the place of final delivery.

All other terms and conditions remain unchanged.



Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRANSPORTATION ENDORSEMENT

Effective Date: March 1, 2009
Policy Number: UBESF102600019
Issued To: Cleanscapes, Inc.

Expiration Date: March 1, 2010
Endorsement No. 8

*deleted 11/16/09
see policy*

It is agreed that:

- A. **SECTION II – EXCLUSIONS**, Exclusion 14. **Vehicles** is deleted in its entirety and replaced by the following:

14. Vehicles

"Loss" arising from the ownership, maintenance, use, loading and unloading, operation, or entrustment to others of any "auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode.

This exclusion does not apply to "loss" caused by "pollution conditions" arising from "transported cargo" which is carried by a "covered auto" used in the performance of "covered operations".

- B. The following exclusions are added to **SECTION II – EXCLUSIONS**:

Property Damage to Cargo

"Loss arising from "property damage" to "cargo".

Property Damage to Conveyances

"Loss" arising from "property damage" to any "auto" resulting from "pollution conditions" caused by "transported cargo".

Wrongful Delivery

"Loss" arising from the delivery of any "cargo" into a wrong receptacle or to a wrong address; or the erroneous delivery of one "cargo" for another.

- C. The following definitions are added to **SECTION VI – DEFINITIONS**:

"Cargo" means waste, products or materials carried or delivered on or within a "covered auto".

"Covered auto" means any "auto" operated by the "insured" or by any third party carrier acting on behalf of the "insured".

Contractors Pollution Liability Occurrence Policy



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This exclusion does not apply to "loss" arising under Insuring Agreement 1.b., Non-owned Disposal Site Liability.

F. The following definition is added to SECTION VI - DEFINITIONS:

"Non-owned disposal site" means the disposal site location(s) designated below that are neither owned nor operated by you:

SCHEDULED NON-OWNED DISPOSAL SITES

| <u>Facility Name</u> | <u>Facility Address</u> | <u>Facility ID Number</u> |
|--|--|---------------------------|
| Cedar Grove- Yard Waste | ✓ 17825 Cedar Grove Rd. SE Maple Valley, WA 98038 | N/A |
| CEMEX - Street sweepings | ✓ 6300 Glenwood Ave Everett, WA 98213-0037 | |
| Sec Dru Nar- Recyclables | ✓ 28 S. Brandon Street Seattle, WA 98134 | N/A |
| City of Seattle xfer station (South) - Garbage | ✓ 8105 5th Avenue S Seattle, WA 98108 | N/A |
| City of Seattle xfer station (South) -Garbage | ✓ 1350 N. 34th Street Seattle, WA 98103 | N/A |
| King County Transfer Station (Shoreline) -Garbage | ✓ 2300 N 165th Street Shoreline, WA 98133 | N/A |
| Smurfit - Recyclables | ✓ 701 SW 34th Street Renton, WA 98055 | N/A |
| Allied Waste -Recyclables | ✓ 2733 3rd Avenue S. Seattle, WA 98133 | N/A |
| Waste Management Eastmont- Garbage | ✓ 7201 W Marginal Way SW Seattle, WA 98106 | N/A |

Nothing in this Endorsement shall be deemed or construed to increase the limits of insurance shown in the Declarations as applicable to each coverage limit or policy aggregate limit.

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



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Such Each Disposal Site Incident Limit is a part of and not in addition to the Each Incident Limit stated in the Declarations.

3. Multiple Policy Periods, Multiple Claims

a. Insuring Agreements 1.a., Contractor's Pollution Liability

If the same, related or continuous "pollution conditions" result in "bodily injury", "environmental damage" or "property damage" which occurs during the policy periods of different Contractors Pollution Liability policies we or an affiliate have issued to you:

1. all such "bodily injury", "environmental damage" or "property damage" shall be deemed to have occurred only during the first policy period of such Contractors Pollution Liability policies in which any of the "bodily injury", "environmental damage" or "property damage" occurred; and
2. all "loss" arising from all such "bodily injury", "environmental damage" or "property damage", shall be subject to the Each Incident Limit applicable under the policy described in paragraph 3.a. above.

b. Insuring Agreement 1.b., Non-owned Disposal Site Liability

1. When we, or an affiliate, have issued one or more policies to you on a successive basis providing coverage substantially the same as this policy and a "claim" for "loss" is first made against you and reported to us in writing in accordance with the terms and conditions of this policy, all "claims" arising out of the same, related or continuous "pollution conditions" at or emanating from a "non-owned disposal site" shall be deemed to have been first made and reported during this policy period, provided that you have maintained insurance substantially the same as this coverage with us or an affiliate on a continuous, uninterrupted basis since the first such "claim" for "loss" was made against you, and reported to us. All such "claims" will be subject to the terms, conditions and Limits of Insurance of this policy.
2. All "claims" for "loss" first made against an "insured" and reported to us during the policy period and arising out of the same, related or continuous "pollution conditions" at or emanating from a "non-owned disposal site" shall be deemed to be a single "claim" and shall be deemed to have been made at the time the first of those "claims" is made.

- E. Paragraph 15. Transported Materials of SECTION II – EXCLUSIONS is deleted and replaced with the following:

15. Transported Materials

"Loss" arising from any waste or any products or materials transported, shipped, or delivered via

"auto", aircraft, mobile equipment, watercraft, rolling stock or any other transportation mode, to a location beyond the boundaries of a site at which the "insured" or any entity for which you are legally liable is performing or has performed "professional services" or "covered operations".

Contractors Pollution Liability Occurrence Policy



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1.b. Non-owned Disposal Site Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "claim(s) for:

1. "bodily injury" or "property damage" to any person or organization other than the owners or operators of the "non-owned disposal site" including their employees or contractors; or
2. "clean-up costs";

caused by "pollution conditions" at or emanating from a "non-owned disposal site". Such "pollution conditions" must commence on or after the retroactive date stated in this endorsement. "Claims" for such "bodily injury", "property damage" or "clean-up costs" must first be made against the "insured" and reported to us in writing during the policy period or Extended Reporting Period.

- B. **Item 3. Limits of Insurance and Item 4., Deductible** of the Declarations are amended to include the following:

Item 3. Limits of Insurance

- | | |
|---|--------------|
| A.1. Each Disposal Site Incident: | \$10,000,000 |
| B.2. Aggregate – All Disposal Site Incidents: | \$10,000,000 |

The Each Disposal Site Incident Limit and Aggregate All Disposal Sites Limits are included within and are not in addition to the Each Incident and Aggregate Limits stated in the Declarations.

- Item 4. Deductible:** Each Disposal Site Incident: \$10,000

- C. The following Retroactive Date will apply with respect to **Insuring Agreement 1.b., Non-owned Disposal Site Liability**:

Item 7. Retroactive Date: Non-owned Disposal Site Liability: March 1, 2009

- D. Paragraphs 2. and 3. of **SECTION IV – LIMITS OF INSURANCE AND DEDUCTIBLE** are deleted and replaced with the following:

2. Each Incident Limit

- a. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from any one "pollution condition" or the same, related or continuous "pollution conditions" under **Insuring Agreement 1.a., Contractor's Pollution Liability** is the Each Incident Limit stated in the Declarations.
- b. Subject to the Aggregate Limit, the most we will pay for all "loss" arising from each "claim" under **Insuring Agreement 1.b., Non-owned Disposal Site Liability** is the Each Disposal Site Incident Limit stated in the Declarations.

Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-OWNED DISPOSAL SITE COVERAGE ENDORSEMENT

Effective Date: March 1, 2009
Policy Number: UBESF102600019
Issued To: Cleanscapes, Inc.

Expiration Date: March 1, 2010
Endorsement No. 7

It is agreed that:

A. **SECTION I – COVERAGE** is deleted and replaced with the following:

SECTION I – Insuring Agreements

1.a. Contractor's Pollution Liability

We will pay on your behalf those sums the "insured" becomes legally obligated to pay for "loss" arising from "pollution conditions" caused by "covered operations" performed by the "insured" or any entity for which the "insured" is legally liable.

This insurance applies only to "bodily injury", "environmental damage" or "property damage" that occurs during the policy period.

Progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" that occurs over a period of days, weeks, months or longer caused by "pollution conditions" shall be deemed to have occurred only on the date of first exposure to such "pollution conditions". The date of first exposure is:

- a. in the case of "bodily injury", the date of the first exposure of any person to the "pollutants"; and
- b. in the case of "environmental damage" or "property damage", the date of the first discharge, dispersal, seepage, migration, release or escape of the "pollutants".

If the date of first exposure as described above is before the inception date of the first policy issued to you by us providing coverage for "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" resulting from "covered operations", or can not be immediately determined, but the progressive, continuous, intermittent or indivisible "bodily injury", "environmental damage" or "property damage" continues in fact to exist during this policy period, the date of first exposure will be deemed to have occurred only on the inception date of the first policy issued to you by us that is applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose. Further, no other policy issued to you by us will be applicable to the "covered operations" from which the "bodily injury", "environmental damage" or "property damage" caused by "pollution conditions" arose.

Contractors Pollution Liability Occurrence Policy



Liberty
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LIBERTY SURPLUS INSURANCE CORPORATION

(A member of Liberty Mutual Group)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION - MINIMUM EARNED PREMIUM

Effective Date: March 1, 2009
Policy Number: UBESF102600019
Issued To: Cleanscapes, Inc.

Expiration Date: March 1, 2010
Endorsement No. 6

It is agreed that **SECTION V - CONDITIONS**, paragraph 4. **Cancellation**, subparagraph c. is deleted in its entirety and replaced with the following:

- e. Subject to a twenty five percent (25%) minimum earned premium provision, if this policy is cancelled, we will send the "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the "named insured" cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BODILY INJURY – AMENDMENT OF DEFINITION

Effective Date: March 1, 2009
Policy Number: UBESF102600019
Issued To: Cleanscapes, Inc.

Expiration Date: March 1, 2010
Endorsement No. 5

It is agreed that **SECTION VI – DEFINITIONS**, paragraph 2. "Bodily injury" is deleted and replaced with the following:

2. "Bodily injury" means physical injury, sickness, disease, mental anguish or emotional distress sustained by any person, including death resulting therefrom.

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BIOLOGICAL CONTAMINANTS EXCLUSION

Effective Date: March 1, 2009

Expiration Date: March 1, 2010

Policy Number: UBESF102600019

Endorsement No. 4

Issued To: Cleanscapes, Inc.

It is agreed that the following is added to **SECTION II – EXCLUSIONS**:

Biological Contaminants

“Loss” arising from, out of, caused by, resulting from, contributed to, or in any way related to the existence, inhalation or exposure to any “biological contaminants” regardless of any other cause, event, material, product, and/or building component that contributed concurrently or in sequence to the injury or damage.

It is also agreed that the following is added to **SECTION VI – DEFINITIONS**

“Biological contaminants” means mold, mildew, fungi, or bacterial matter including any substance produced by, emanating from, or arising out of any such biological contaminants.

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs B.5. or B.6. are exceeded.

With respect to this Exclusion, Paragraphs B.5. and B.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part or Policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part or Policy.

- C. The following is hereby added to the Policy and shall apply to all coverages:

This exclusion shall not apply to coverage for "certified acts of terrorism" if you have elected to purchase such coverage. However, with respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF TERRORISM

| | | | |
|-----------------|-------------------|------------------|---------------|
| Effective Date: | March 1, 2009 | Expiration Date: | March 1, 2010 |
| Policy Number: | UBESF102600019 | Endorsement No. | 3 |
| Issued To: | Cleanscapes, Inc. | | |

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY POLICY

A. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
 - a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
2. "Any injury or damage" means any injury, damage or loss covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "business interruption", "clean-up costs", "corrective action", "defense expense" or "property damage" as may be defined in any applicable Coverage Part or Policy.

B. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

| | | | |
|-----------------|-------------------|------------------|---------------|
| Effective Date: | March 1, 2009 | Expiration Date: | March 1, 2010 |
| Policy Number: | UBESF102600019 | Endorsement No. | 2 |
| Issued To: | Cleanscapes, Inc. | | |

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury, damage or loss covered under any Coverage Part or Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "business interruption", "clean-up costs", "corrective action", "defense expense" or "property damage" as may be defined in any applicable Coverage Part or Policy.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



Contractors Pollution Liability Occurrence Policy



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Effective Date: March 1, 2009
Policy Number: UBESF102600019
Issued To: Cleanscapes, Inc.

Expiration Date: March 1, 2010
Endorsement No. 1

SERVICE OF SUIT CLAUSE - WASHINGTON

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS IN THIS POLICY

Liberty Surplus Insurance Corporation hereby appoints the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as the true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance.

The Company furthermore designates Corporation Service Company, 6500 Harbour Heights Pkwy., Ste. 400, Mukilteo, WA 98275 as the agent to whom a copy of the Service of Process should be forwarded by the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the State of Washington. A copy of any process, "suit", complaint or summons should be sent to Dexter R. Legg, Secretary, Liberty Surplus Insurance Corporation, 175 Berkeley St., Boston, MA 02117.



SC-9 (10/08)



COPY

Contractors Pollution Liability Occurrence Policy



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LIBERTY SURPLUS INSURANCE CORPORATION

(A member of Liberty Mutual Group)

SCHEDULE OF FORMS

| | | | |
|-----------------|-------------------|------------------|---------------|
| Effective Date: | March 1, 2009 | Expiration Date: | March 1, 2010 |
| Policy Number: | UBESF102600019 | | |
| Issued To: | Cleanscapes, Inc. | | |

| <u>Form Number</u> | <u>Form Name</u> | <u>Endorsement No.</u> |
|----------------------|---|------------------------|
| ✓ D-UB (1/07) R5 | Contractors Pollution Liability Declarations | |
| ✓ SC-9 (10/08) | Service of Suit Clause – Washington | 1 |
| ✓ TRIA-ENV-E002-0208 | Exclusion of Certified Acts of Terrorism | 2 |
| ✓ TRIA-ENV-E003-0208 | Exclusion of Terrorism | 3 |
| ✓ E-UB-1 (6/02) | Biological Contaminants Exclusion | 4 |
| ✓ E-UB-10 (6/02) | Bodily Injury – Amendment of Definition | 5 |
| ✓ E-UB-6 (6/02) | Cancellation – Variable Minimum Earned Premium | 6 |
| ✓ E-UB-15 (7/02) | Non-Owned Disposal Site Coverage Endorsement | 7 |
| ✓ E-UB-11 (8/02) | Transportation Endorsement | 8 |
| ✓ E-UB-MAN | Site Pollution Liability Coverage Endorsement | 9 |
| ✓ ES-UB (1/07) R4 | Contractors Pollution Liability Occurrence Policy | |

Contractors Pollution Liability Occurrence Policy



LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

| | | | |
|-----------------|-------------------|------------------|---------------|
| Effective Date: | November 16, 2009 | Expiration Date: | March 1, 2010 |
| Policy Number: | UBESF102600019 | Endorsement No. | 10 |
| Issued To: | Cleanscapes, Inc. | | |
| Premium: | \$-2,723 | TRIA Premium: | RejectedN/A |
| | | Total Premium: | -\$2,723 |

POLICY AMENDATORY ENDORSEMENT

It is understood and agreed that Endorsement No. 8 -Transportation, Form E-UB-11 (8/02) is hereby deleted from the policy.

All other terms and conditions remain unchanged.

now on auto policy

| | |
|--------------|--------------------------|
| Sla code: | 5-540 |
| Eff Date: | 11/16/09 |
| Carrier: | Liberty Surplus Ins Corp |
| State Tax | -54.46 |
| Stamping Fee | -6.81 |
| Broker No. | 77 |

Contractors Pollution Liability Occurrence Policy



LIBERTY SURPLUS INSURANCE CORPORATION

(A New Hampshire Stock Insurance Company, hereinafter the "Company")

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY AMENDATORY ENDORSEMENT

| | | | |
|-----------------|-------------------|------------------|----------------|
| Effective Date: | March 1, 2010 | Expiration Date: | March 30, 2010 |
| Policy Number: | UBESF102600019 | Endorsement No. | 11 |
| Issued To: | Cleanscapes, Inc. | | |
| Premium: | \$4,447 | TRIA Premium: | \$0 |
| | | Total Premium: | \$4,447 |

It is understood and agreed that Item 2. Policy Period of the Declarations page is hereby deleted in its entirety and replaced with the following:

Item 2. **POLICY PERIOD:** From: March 1, 2010 To: March 30, 2010

WA State Tax: \$88.94
Stamping Fee: \$11.12

All other terms and conditions remain unchanged.

Contractors Pollution Liability Occurrence Policy



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This policy, including all endorsements issued herewith, is hereby countersigned by

Authorized Representative

Broker: AMERICAN E&S INSURANCE BROKERS
Broker Address: 520 Pike Street, Suite 2120
Seattle, WA 98101-4004

2 2

D-UB (1/07) R5

Contractors Pollution Liability Occurrence Policy



Liberty
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LIBERTY SURPLUS INSURANCE CORPORATION

(A member of Liberty Mutual Group)
175 Berkeley Street, Boston, MA 02117
Toll-free number: 1-800-677-9163

CONTRACTORS POLLUTION LIABILITY

COVERAGE IS PROVIDED ON AN OCCURRENCE, DEFENSE WITHIN LIMITS BASIS.
PLEASE READ THE ENTIRE FORM CAREFULLY.

Policy No.: UBESF102600019 New/Renewal: NEW
Renewal of: N/A 1st Year of Policy: 2009

Item 1. **NAMED INSURED:** Cleanscapes, Inc.
ADDRESS: 5939 4th Avenue S.
Seattle, WA 98108

Item 2. **POLICY PERIOD:** From: March 1, 2009 To: March 1, 2010
12:01 AM standard time at the address of the Named Insured as stated herein.

Item 3. **LIMITS OF INSURANCE:**

In return for the payment of policy premium, and subject to all the terms of this policy, we agree with you to provide the insurance stated in this policy

A. Each Incident Limit: \$10,000,000
B. Policy Aggregate Limit: \$10,000,000

Item 4. **DEDUCTIBLE:** \$10,000

Item 5. **COVERED OPERATIONS:**

All operations performed by or on behalf of the insured at a jobsite pursuant to the underwriting information on file with us.

Item 6. **POLICY PREMIUM:** Premium: \$63,039
TRIA Premium: \$0
Total Premium: \$63,039

This policy may be subject to surplus lines taxes stamping fees surcharges and certain surplus lines reporting requirements mandated by state regulations. The Surplus Lines Broker is responsible for the disclosure of all related taxes surcharges and fees. The Surplus Lines Broker is also responsible for the applicable surplus lines reporting requirements including but not limited to the submission of diligent search forms.

AES Fee: 1,000.00
2% WA State Tax 1,280.78
.25% Stamping Fee: 160.10

This contract is registered and delivered as a surplus line coverage under the insurance code of the State of Washington, enacted in 1947. It is not issued by a company regulated by the Washington State Insurance Commissioner and is not protected by any Washington State Guaranty Fund Law.

American E & S Insurance Brokers.

1 2

D-UB (1/07) R5

WASHINGTON - FUNGI OR BACTERIA EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 26

Countersigned By _____

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 25

Countersigned By _____

FUNGI OR BACTERIA EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 24

Countersigned By _____

**TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT
EXCEPTION AND A HOSTILE FIRE EXCEPTION**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2. **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 23

Countersigned By _____

EMPLOYMENT RELATED PRACTICES EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 22

Countersigned By _____

WASHINGTON CONDOMINIUM ACT – EXCLUSION OF DECLARANT LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2., Exclusions of **Section I COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

2. Exclusions

This insurance does not apply to:

any liability an insured may have as a declarant or an affiliate of a declarant under the Washington Condominium Act (RCW 64.34).

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 21

Countersigned By _____

ASBESTOS EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**:

2. Exclusions

This insurance does not apply to:

Asbestos

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of asbestos; or

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of asbestos; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of asbestos.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 20

Countersigned By _____

E. For the purposes of this endorsement, Condition 2. – **Duties In The Event Of Occurrence, Claim Or Suit** of the Conditions Section IV is deleted and replaced by the following:

2. Duties In The Event Of Injury, Claim Or Suit

a. You must see to it that we or our agent are notified as soon as practicable of a "bodily injury by accident" or "bodily injury by disease" which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "bodily injury by accident" or "bodily injury by disease" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury.

b. If a claim is "made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the injury, claim, proceeding or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or defense against the "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

F. For the purposes of this endorsement, Paragraph 4. of the **Definitions** Section is replaced by the following:

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
- c. All other parts of the world if the injury or damage arises out of the activities of a person whose home is in the territory described in a. above, but who is away for a short time on your business;

provided the insured's responsibility to pay damages is determined in the United States (including its territories and possessions), Puerto Rico, or Canada, in a suit on the merits according to the substantive law in such territory, or in a settlement we agree to.

G. The following are added to the **Definitions** Section:

1. "Workers Compensation Law" means the Workers Compensation Law and any Occupational Disease Law of Washington. This does not include provisions of any law providing non-occupational disability benefits.
2. "Bodily injury by accident" means bodily injury, sickness or disease sustained by a person, including death, resulting from an accident. A disease is not "bodily injury by accident" unless it results directly from "bodily injury by accident".
3. "Bodily injury by disease" means a disease sustained by a person, including death. "Bodily injury by disease" does not include a disease that results directly from an accident.

H. For the purposes of this endorsement, the definition of "bodily injury" does not apply.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 19

Countersigned By _____

- (3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);
- (4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);
- (5) The Defense Base Act (42 USC Sections 1651-1654);
- (6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);
- (7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);
- (8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or
- (9) Any subsequent amendments to the laws listed above.

j. Punitive Damages

Multiple, exemplary or punitive damages.

k. Crew Members

"Bodily injury by accident" or "bodily injury by disease" to a master or member of the crew of any vessel or any member of the flying crew of an aircraft.

B. The Supplementary Payments provisions apply to Coverage – Stop Gap Employers Liability as well as to Coverages A and B.

C. For the purposes of this endorsement, Section II – Who Is An Insured, is replaced by the following:

If you are designated in the Declarations as:

- 1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- 2. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- 3. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- 4. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. For the purposes of this endorsement, Section III – Limits Of Insurance, is replaced by the following:

- 1. The Limits of Insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The "Bodily Injury By Accident" – Each Accident Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance because of "bodily injury by accident" to one or more "employees" in any one accident.
- 3. The "Bodily Injury By Disease" – Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance and arising out of "bodily injury by disease", regardless of the number of "employees" who sustain "bodily injury by disease".
- 4. Subject to Paragraph D.3. of this endorsement, the "Bodily Injury By Disease" – Each "Employee" Limit shown in the Schedule of this endorsement is the most we will pay for all damages because of "bodily injury by disease" to any one "employee".

The limits of the coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

- (b) "Bodily injury by disease" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury by disease" occurs during the policy period.
- c. The damages we will pay, where recovery is permitted by law, include damages:

(1) For:

- (a) Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";
- (b) Care and loss of services; and
- (c) Consequential "bodily injury by accident" or "bodily injury by disease" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury by accident" or "bodily injury by disease" that arises out of and in the course of the injured "employee's" employment by you; and

- (2) Because of "bodily injury by accident" or "bodily injury by disease" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

2. Exclusions

This insurance does not apply to:

a. Intentional Injury

"Bodily injury by accident" or "bodily injury by disease" intentionally caused or aggravated by you, or "bodily injury by accident" or "bodily injury by disease" resulting from an act which is determined to have been committed by you if it was reasonable to believe that an injury is substantially certain to occur.

b. Fines Or Penalties

Any assessment, penalty, or fine levied by any regulatory inspection agency or authority.

c. Statutory Obligations

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Contractual Liability

Liability assumed by you under any contract or agreement.

e. Violation Of Law

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your "executive officers".

f. Termination, Coercion Or Discrimination

Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee", or arising out of other employment or personnel decisions concerning the insured.

g. Failure To Comply With "Workers Compensation Law"

"Bodily injury by accident" or "bodily injury by disease" to an "employee" when you are:

- (1) Deprived of common law defenses; or
- (2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law".

h. Violation Of Age Laws Or Employment Of Minors

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any person:

- (1) Knowingly employed by you in violation of any law as to age; or
- (2) Under the age of 14 years, regardless of any such law.

i. Federal Laws

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

- (1) The Federal Employer's Liability Act (45 USC Section 51-60);
- (2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);

STOP GAP - EMPLOYERS LIABILITY COVERAGE ENDORSEMENT - WASHINGTON

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

| Limits Of Insurance | | |
|----------------------------|-------------|-----------------|
| Bodily Injury By Accident | \$1,000,000 | Each Accident |
| Bodily Injury By Disease | \$1,000,000 | Aggregate Limit |
| Bodily Injury By Disease | \$1,000,000 | Each Employee |
| | | |

(If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. The following is added to Section I – Coverages:

COVERAGE – STOP GAP – EMPLOYERS LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated by Washington Law to pay as damages because of "bodily injury by accident" or "bodily injury by disease" to your "employee" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any accident and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **Section III – Limits Of Insurance**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "bodily injury by accident" or "bodily injury by disease" only if:

(1) The:

- (a) "Bodily injury by accident" or "bodily injury by disease" takes place in the "coverage territory";
- (b) "Bodily injury by accident" or "bodily injury by disease" arises out of and in the course of the injured "employee's" employment by you; and
- (c) "Employee", at the time of the injury, was covered under a worker's compensation policy and subject to a "workers compensation law" of Washington; and

(2) The:

- (a) "Bodily injury by accident" is caused by an accident that occurs during the policy period; or

4. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - e. Any other similar benefits designated in the Schedule or added thereto by endorsement.
- H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the **Definitions** Section are replaced by the following:
- 5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 - 18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 18

Countersigned By _____

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

- F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

EXTENDED REPORTING PERIOD

1. You will have the right to purchase an Extended Reporting Period, as described below, if:
 - a. This endorsement is canceled or not renewed; or
 - b. We renew or replace this endorsement with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - (2) Does not apply to an act, error or omission on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and

- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.

Paragraph D.1.b. of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph D.1.c.

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **Definitions** Section:

1. "Administration" means:
 - a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
 - b. Handling records in connection with the "employee benefit program"; or
 - c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

(2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

b. If a "claim" is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the "claim" or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:

(a) No Retroactive Date is shown in the Schedule of this insurance; or

(b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.

(2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Endorsement.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
 - b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.
- D. For the purposes of the coverage provided by this endorsement, **Section III – Limits Of Insurance** is replaced by the following:
 - 1. **Limits Of Insurance**
 - a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made or "suits" brought;
 - (3) Persons or organizations making "claims" or bringing "suits";
 - (4) Acts, errors or omissions; or
 - (5) Benefits included in your "employee benefit program".
 - b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
 - c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
 - (1) An act, error or omission; or
 - (2) A series of related acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

2. Deductible

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this insurance, including those with respect to:
 - (1) Our right and duty to defend any "suits" seeking those damages; and
 - (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"

apply irrespective of the application of the deductible amount.
- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.
- E. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of **Section IV – Commercial General Liability Conditions** are replaced by the following:
 - 2. **Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"**
 - a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:
 - (1) What the act, error or omission was and when it occurred; and

- (2) When we make settlement in accordance with Paragraph a. above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

- d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

2. Exclusions

This insurance does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement:

1. All references to Supplementary Payments – Coverages A and B are replaced by Supplementary Payments – Coverages A, B and Employee Benefits Liability.

2. Paragraphs 1.b. and 2. of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 3. of Section II – Who Is An Insured are replaced by the following:

2. Each of the following is also an insured:

- a. Each of your "employees" who is or was authorized to administer your "employee benefit program".
- b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.

EMPLOYEE BENEFITS LIABILITY COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

| Coverage | Limit Of Insurance | Each Employee Deductible | Premium |
|--|----------------------------|--------------------------|-------------|
| Employee Benefits Programs | \$ 1,000,000 each employee | \$ Not Applicable | \$ Included |
| | \$ 2,000,000 aggregate | | |
| Retroactive Date: | 12-16-2001 | | |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. | | | |

A. The following is added to Section I – Coverages:

COVERAGE – EMPLOYEE BENEFITS LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph D. (Section III – Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to damages only if:

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
- (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.

c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

- (1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or

2. **PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- (a) Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- (b) Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- (c) Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
 - (1) "Bodily injury";
 - (2) "Property damage"; or
 - (3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence," regardless of the number of persons or organizations who sustain damages because of that "occurrence."

C. The terms of this insurance, including those with respect to:

- 1. Our right and duty to defend any "suits" seeking those damages; and
- 2. Your duties in the event of an "occurrence," claim or "suit"

apply irrespective of the application of the deductible amount.

D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 17

Countersigned By _____

DEDUCTIBLE LIABILITY INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

| SCHEDULE | |
|--|---|
| Coverage | Amount and Basis of Deductible PER CLAIM or PER OCCURRENCE |
| Bodily Injury Liability OR | \$ \$ |
| Property Damage Liability OR | \$ \$2,500 |
| Bodily Injury Liability and/or Property Damage Liability Combined | \$ \$ |

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage," however caused):

A. Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.

B. You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:

1. PER CLAIM BASIS. If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:

(a) Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";

(b) Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or

(c) Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:

(1) "Bodily injury";

(2) "Property damage"; or

(3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence."

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury," a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage," person includes an organization.

BLANKET ADDITIONAL INSURED ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (herein referred to as an additional insured), but only if you are required to add that person or organization as an insured to this policy by a written contract that is in effect prior to the "bodily injury", "property damage", or "personal and advertising injury".

The insurance provided to the additional insured is limited as follows:

1. That person or organization is only an additional insured for its vicarious liability for your acts or omissions in the performance of "your work".
2. The insurance provided to the additional insured does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:
 - a. the preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, design or specifications; and
 - b. supervisory, inspection, or engineering services.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 16

Countersigned By _____



BLANKET WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of "your work" done under a written contract with that person or organization.

The waiver applies only to the person or organization you contracted with and then only if the contract requires you to obtain this agreement from us.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 15

Countersigned By _____

CALIFORNIA CHANGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 14

Countersigned By _____

This exclusion applies:

1. Whether the injury-causing event described in Paragraphs a., b. or c. above occurs before employment, during employment or after employment of that person;
2. Whether the insured may be liable as an employer or in any other capacity; and
3. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

However, Paragraphs 1.a. and 2. of this exclusion do not apply if such "personal and advertising injury" is sustained by any "employee" of the insured whose employment is subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 13

Countersigned By _____

WASHINGTON CHANGES – EMPLOYMENT-RELATED PRACTICES EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Coverage A – Bodily Injury And Property Damage Liability (Section I – Coverages):

This insurance does not apply to:

"Bodily injury" to:

1. A person arising out of any:
 - a. Refusal to employ that person;
 - b. Termination of that person's employment; or
 - c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
2. The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs a., b. and c. above is directed.

This exclusion applies:

1. Whether the injury-causing event described in Paragraphs a., b. or c. above occurs before employment, during employment or after employment of that person;
2. Whether the insured may be liable as an employer or in any other capacity; and
3. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

However, Paragraphs 1.a. and 2. of this exclusion do not apply if such "bodily injury" is sustained by any "employee" of the insured whose employment is subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

B. The following exclusion is added to Paragraph 2., Exclusions of Coverage B – Personal And Advertising Injury Liability (Section I – Coverages):

This insurance does not apply to:

"Personal and advertising injury" to:

1. A person arising out of any:
 - a. Refusal to employ that person;
 - b. Termination of that person's employment; or
 - c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
2. The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs a., b. and c. above is directed.

WASHINGTON CHANGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion e. of Coverage A – Bodily Injury And Property Damage Liability (Section I – Coverages)** applies only to "bodily injury" to any "employee" of the insured whose employment is not subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

With respect to "bodily injury" to "employees" of the insured whose employment is subject to the Industrial Insurance Act of Washington, Exclusion e. is replaced with the following:

This insurance does not apply to:

1. "Bodily injury" to an "employee" of the insured arising out of and in the course of:
 - a. Employment by the insured; or
 - b. Performing duties related to the conduct of the insured's business; or
2. Any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

- B. Paragraphs 2.a.(1)(a), (b) and (c) of Section II – Who Is An Insured** apply only to "employees" of the insured whose employment is not subject to the Industrial Insurance Act of Washington (Washington Revised Code Title 51).

With respect to "employees" of the insured whose employment is subject to the Industrial Insurance Act of Washington, the reference to "volunteer workers" is removed from Paragraph 2.(a) of **Section II – Who Is An Insured** and Paragraph 2.a.(1) of **Section II** is replaced with the following:

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:

- (1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;

- (b) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) above; or

- (c) Arising out of his or her providing or failing to provide professional health care services.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 12

Countersigned By _____



b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and

- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.



15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

(2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by
you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

- 1. **Bankruptcy**
 Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.
- 2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**
 - a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) the operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
- (i) Any insured; or
- (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

COMMERCIAL GENERAL LIABILITY DECLARATIONS
 09C PS 31978

| Limits of Insurance | |
|---|--|
| General Aggregate Limit | \$2,000,000 |
| Products - Completed Operations Aggregate Limit | 2,000,000 |
| Each Occurrence Limit | 1,000,000 |
| Personal and Advertising Injury Limit | 1,000,000 Any One Person or Organization |
| Damage to Premises Rented to You Limit | 100,000 Any One Premises |
| Medical Expense Limit | 10,000 Any One Person |

| Classifications and Premium | | | | |
|--|-------|--------------------------------|--------------|-------------------|
| Classifications | Code | Rating | Premium Base | Estimated Premium |
| <u>Premises/Operations</u> | | | | |
| 1/1 <u>5939 4th Ave. S, Seattle, WA 98108</u> | | | | |
| Garbage, Ash or Refuse Collecting | 95233 | 9.108 per \$1,000 Payroll | 1,032,000 | 9,399 |
| Street Cleaning | 99303 | 34.637 per \$1,000 Payroll | 350,000 | 12,123 |
| 2/1 <u>21 Bernice St., San Francisco, CA 94103</u> | | | | |
| Street Cleaning | 99303 | 58.233 per \$1,000 Payroll | 350,000 | 20,382 |
| 3/1 <u>TBD, Portland, OR 97207</u> | | | | |
| Street Cleaning | 99303 | 20.539 per \$1,000 Payroll | 250,000 | 5,135 |
| <u>Supplemental Coverages</u> | | | | |
| Stop Gap Coverage Washington | | | | 1,034 |
| Employee Benefits Liability Coverage | | | | 540 |
| Premium Audit Frequency: annually. | | Total Estimated Premium | | \$48,613 |

Forms applicable to this coverage: CG 00 01 12 07; CG 01 81 05 08; CG 01 97 12 07;
 CG 32 34 01 05; ANIC GL 702 05 95; ANIC GL 703 07 01; CG 03 00 01 96; CG 04 35 12 07;
 CG 04 42 11 03; ANIC GL 554 01 07; ANIC GL 1023 01 06; CG 21 47 12 07; CG 21 65 12 04;
 CG 21 67 12 04; CG 21 70 01 08; CG 26 77 12 04

- 4) 7303 8th AVE S. "mcl"
- 5) 7401 8th AVE S. "mcl"

COMMERCIAL GENERAL LIABILITY DECLARATIONS CHANGE ENDORSEMENT

| Commercial General Liability Change | | |
|--|-------------------------------|-------------|
| Location 4/1 & 5/1 are added as described below. | | |
| Pro Rate: 1.00 | Total Additional Premium: \$0 | |
| Additional General Liability Premium: \$0 | Additional TRIPRA*: \$0 | AIGA**: N/A |

*Terrorism Risk Insurance Program Reauthorization Act of 2007

**Alaska Insurance Guaranty Association

| Classifications and Premium | | | | |
|--|-------|---------------------------|--------------|-------------------|
| Classifications | Code | Rating | Premium Base | Estimated Premium |
| <u>Premises/Operations</u> | | | | |
| 4/1 - 7303 8 th Ave. S., Seattle, WA 98108 Garbage, Ash or Refuse Collecting | 95233 | 9.108 per \$1,000 Payroll | If Any | 0 |
| 5/1 - 7401 8 th Ave. S., Seattle, WA 98108 Garbage, Ash or Refuse Collecting | 95233 | 9.108 per \$1,000 Payroll | If Any | 0 |

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective March 30, 2009

Policy No. 09C PS 31978

Insured Cleanscapes, Inc.

Endorsement No. 50

Countersigned By Bernie Raven

cc: Sprague Israel Giles/Seattle

CONSUMER PRIVACY STATEMENT

Alaska National Insurance Company appreciates the trust that is placed in us when our company is chosen to provide insurance protection. We strive to provide quality insurance products and superior service. In engaging in the insurance buying process with us, you trust us with personal and private information. We will limit the collection and use of such information to the minimum extent necessary to manage our business effectively and deliver superior service.

We are committed to protecting your private information, and we do not sell your information to others.

Please read the following notice about how we collect and use your personal information.

Sources of Information About You

We collect information about you from:

- The insurance application, other forms and information you or your insurance broker or agent submits to us (such as your name, address, locations of your business, social security or FEIN number, assets and past claims history).
- Your business transactions with us (such as your payrolls, revenues, premiums, policy coverage, payment history, and claims information).
- Insurance service organizations, state departments of motor vehicles, consumer reporting agencies, premium auditors or inspection services (such as your credit history, driver records, payroll, and gross income).

Use of Information About You

We treat your information with respect and concern for your privacy. We do not disclose any non-public

personal information about our customers or former customers to anyone except as permitted by law. This may include providing information to the insurance agent who represents you, or other companies that perform support services on our behalf or to other firms that assist us in providing service for your account.

Insurance Brokers/Agents

The insurance broker or agent representing you is not an employee of ours and is not subject to our privacy policy.

Your agent or broker may have information about you that we do not have, and may have a different policy regarding the use and protection of that information. Contact your broker or agent to learn about their privacy practices.

Protecting Your Private Information From Unauthorized Access

We limit employee access to customer information to those employees with a legitimate business reason for such access. We will safeguard, according to strict standards of security and confidentiality, any personal information we receive about you or from you. We will permit only authorized employees, who are trained in the proper handling of our customers' personal information, to have access to that information. Whenever we hire other organizations to provide support services, we will require them to conform to our privacy standards.

Medical Information

We obtain medical information only in connection with claims. We will not use or share personally identifiable medical information for any purpose other than for the administration of claims.

MULTIPLE FORMS SCHEDULE ENDORSEMENT

| <u>Form No.</u> | <u>Form Title</u> | <u>Applicable in</u> |
|-----------------|---|----------------------|
| IL 00 21 09 08 | Nuclear Energy Liability Exclusion Endorsement (Broad Form) | OR, CA |
| IL 01 98 09 08 | Nuclear Energy Liability Exclusion Endorsement (Broad Form) | WA |
| CG 21 67 12 04 | Fungi or Bacteria Exclusion | OR, CA |
| CG 26 77 12 04 | Washington - Fungi or Bacteria Exclusion | WA |
| CG 21 47 12 07 | Employment Related Practices Exclusion | OR, CA |
| CG 01 97 12 07 | Washington Changes - Employment Related Practices Exclusion | WA |

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. The information below is required only when this endorsement is issued subsequent to preparation of the policy.

Endorsement Effective

Policy No.

Insured

Endorsement No. 48

Countersigned By _____

**C. Cap On Insurer Participation In Payment Of
Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 47

Countersigned By _____

© ISO Properties, Inc., 2007

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

SCHEDULE

Terrorism Premium (Certified Acts) \$2,282.

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):
09C PS 31978

Additional information, if any, concerning the terrorism premium:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable

insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "Special nuclear material" or "by-product material";

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. The information below is required only when this endorsement is issued subsequent to commencement of the policy.

Endorsement Effective

Policy No.

Insured

Endorsement No. 44

Countersigned By _____

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments Coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

G. Nonrenewal

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us; written notice of nonrenewal. We will mail or deliver these notices at least 45 days before the:

- a. Expiration of the policy; or
- b. Anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- a. The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker, at least 20 days before the expiration date;
- b. Other coverage acceptable to the insured has been procured prior to the expiration date of the policy; or

- c. The policy clearly states that it is not renewable, and is for a specific line, subclassification, or type of coverage that is not offered on a renewable basis.

2. If:

- a. You are an individual;
- b. A covered auto you own is of the "private passenger type"; and
- c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

the following applies to nonrenewal of the Commercial Automobile Coverage Part in place of G.1.:

- a. We may elect not to renew or continue this policy by mailing or delivering to you and your agent or broker written notice at least 20 days before the end of the policy period including the actual reason for nonrenewal. If the policy period is more than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- b. We will not refuse to renew Liability Coverage or Collision Coverage solely because an "insured" has submitted claims under Comprehensive Coverage or Towing and Labor Coverage.
- c. If we fail to mail or deliver proper notice of nonrenewal and you obtain other insurance this policy will end on the effective date of that insurance.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 42

Countersigned By _____

- d. At least 20 days before the effective date of cancellation if the policy is in effect for 60 days or more or is a renewal or continuation policy, and the reason for cancellation is that your driver's license or that of any driver who customarily uses a covered "auto" has been suspended or revoked during policy period.
5. We will also mail or deliver to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. If cancellation is for reasons other than those contained in Paragraph A.3. above, this notice will be the same as that mailed or delivered to the first Named Insured. If cancellation is for a reason contained in Paragraph A.3. above, we will mail or deliver this notice at least 20 days prior to the effective date of cancellation.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund unless the following applies:
 - a. For Division Two – Equipment Breakdown, if the first Named Insured cancels, the refund will be at least 75% of the pro rata refund.
 - b. If:
 - (1) You are an individual;
 - (2) A covered auto you own is of the "private passenger type";
 - (3) The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards; and
 - (4) The first Named Insured cancels;the refund will be not less than 90% of any unearned portion not exceeding \$100, plus 95% of any unearned portion over \$100 but not exceeding \$500, and not less than 97% of any unearned portion in excess of \$500.
The cancellation will be effective even if we have not made or offered a refund.
8. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

The policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspection And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

WASHINGTON COMMON POLICY CONDITIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

All Coverage Parts included in this policy are subject to the following conditions.

The conditions in this endorsement replace any similar conditions in the policy that are less favorable to the insured.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if we cancel for any other reason;

except as provided in Paragraphs 3. and 4. below.

3. We may cancel the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, if made a part of this policy, by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation at least 5 days before the effective date of cancellation for any structure where 2 or more of the following conditions exist:

- a. Without reasonable explanation, the structure is unoccupied for more than 60 consecutive days, or at least 65% of the rental units are unoccupied for more than 120 consecutive days unless the structure is maintained for seasonal occupancy or is under construction or repair;
- b. Without reasonable explanation, progress toward completion of permanent repairs to the structure has not occurred within 60 days after receipt of funds following satisfactory adjustment or adjudication of loss resulting from a fire;

- c. Because of its physical condition, the structure is in danger of collapse;
- d. Because of its physical condition, a vacation or demolition order has been issued for the structure, or it has been declared unsafe in accordance with applicable law;
- e. Fixed and salvageable items have been removed from the structure, indicating an intent to vacate the structure;
- f. Without reasonable explanation, heat, water, sewer, and electricity are not furnished for the structure for 60 consecutive days; or
- g. The structure is not maintained in substantial compliance with fire, safety and building codes.

4. If:

- a. You are an individual;
- b. A covered auto you own is of the "private passenger type"; and
- c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

we may cancel the Commercial Automobile Coverage Part by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for cancellation, to the last mailing address known to us:

- a. At least 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. At least 10 days before the effective date of cancellation for any other reason if the policy is in effect less than 30 days; or
- c. At least 20 days before the effective date of cancellation for other than nonpayment if the policy is in effect 30 days or more; or

OREGON CHANGES – DOMESTIC PARTNERSHIP

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The term "spouse" is replaced by the following:

Spouse or individual who is in a domestic partnership recognized under Oregon law.

B. Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individual Endorsement is attached.

C. With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or domestic partnership recognized under Oregon law, who is a resident of your household, including a ward or foster child.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 41

Countersigned By _____

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";

- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

This endorsement changes the policy to which it is attached and, unless otherwise stated, is effective on the date issued at 12:01 A.M. standard time at your mailing address shown in the policy. **The information below is required only when this endorsement is issued subsequent to commencement of the policy.**

Endorsement Effective

Policy No.

Insured

Endorsement No. 36

Countersigned By _____

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

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COMMERCIAL LINES INSURANCE POLICY
09C PS 31978**Named Insured:**Cleancescapes, Inc.
5939 4th Ave. S
Seattle, WA 98108**Producer:**Sprague Israel Giles,
Inc.
1501 4th Ave., #2000
Seattle, WA 98101-1637

The insured is a corporation.

Policy Period: From 03/30/09 to 03/30/10 at 12:01 A.M. standard time at your mailing address shown above.**Coverages:** This policy consists of the following coverages for which a premium is indicated. This premium may be subject to adjustment.

| Coverages | Declaration Form | Estimated Premium |
|---|--|-------------------|
| Commercial Property | ANIC CP 501 05 00 | \$5,638 |
| Commercial General Liability | ANIC GL 502 05 00 | 48,613 |
| Commercial Inland Marine | ANIC IM 505 09 95 ANIC IM 506 09 95 | 1,078 1,570 |
| Commercial Crime | ANIC CR 1059 03 08 | 193 |
| Terrorism Risk Insurance Program Reauthorization Act of 2007 | | 2,282 |
| RECEIVED APR 13 2009 SPRAGUE ISRAEL GILES | RECEIVED APR 13 2009 SPRAGUE ISRAEL GILES | |
| Deposit Premium \$16,558 | Total Estimated Premium | \$59,374 |

Forms applicable to all coverages: ANIC 646 10 01; IL 00 21 09 08; IL 01 02 05 05; IL 01 03 09 07;
IL 01 04 09 07; IL 01 39 12 02; IL 01 42 09 08; IL 01 46 09 07; IL 01 57 07 02; IL 01 98 09 08;
IL 09 35 07 02; IL 09 52 03 08; IL 09 85 01 08; ANIC 1020 10 05Countersigned by Bernie Raven (Authorized Representative)



GREAT AMERICAN
INSURANCE GROUP

Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-813-389-5000

TAU 9628
(Ed. 01/98)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON CHANGES - CANCELLATION AND NONRENEWAL

Section VI. **CONDITION, C. Cancellation** is deleted and the following condition is added to Section VI - **CONDITIONS**:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's representative in charge of the subject of the insurance, if applicable, written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 45 days before the effective date of cancellation if we cancel for any other reason.
3. We will also mail to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, for any reason, at least 45 days prior to the effective date of cancellation.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata.

If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

The following **CONDITION** is added and supersedes any provision to the contrary:

Nonrenewal

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured's last mailing address known to us. We will mail or deliver these notices at least 45 days before the:
 - a. expiration of the policy; or
 - b. anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- a. the first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent, at least 20 days before the expiration date; or
- b. other coverage acceptable to the Insured has been procured prior to the expiration date of the policy.



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GAI 6650
(Ed. 03 03)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR LIABILITY EXCLUSION

The following exclusion is added to SECTION IV - EXCLUSIONS:

A. This insurance does not apply to:

War

"Any injury or damage," however caused, arising, directly or indirectly, out of:

- (1) war, including undeclared or civil war; or
- (2) warlike action by military force, including action of hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

As used in this exclusion:

"Any injury or damage" means any injury or damage covered under any policy, Coverage Part, or "underlying insurance" to which this endorsement is applicable, and includes but is not limited to "bodily injury," "property damage," "personal and advertising injury," "loss," "injury" or "environmental damage" as may be defined in any applicable policy, Coverage Part, or "underlying insurance."

This endorsement does not change any other provision of the policy.



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GAI 6455
(Ed 01 08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM
SAFEPAK® UMBRELLA LIABILITY COVERAGE FORM
EXCESS LIABILITY

The following exclusion is added to **SECTION IV - EXCLUSIONS**:

A. This insurance does not apply to:

Terrorism

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism."

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable and includes but is not limited to "bodily injury," "property damage," "personal and advertising injury," "loss," "injury" or "environmental damage" as may be defined in any applicable Coverage Part or "underlying insurance."
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Sec-

retary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. the act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. the act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

This endorsement does not change any other provision of the policy.

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GAI 6473
(Ed. 01 08)

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**DISCLOSURE PURSUANT TO TERRORISM
RISK INSURANCE ACT - REJECTION OF OFFER**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM
SAFEPAK® UMBRELLA LIABILITY COVERAGE FORM
EXCESS LIABILITY

A. Rejection Of Offer

You have rejected the offer of terrorism coverage for Acts of Terrorism that are certified under the Terrorism Risk Insurance Act as an Act of Terrorism. An exclusion of terrorism losses has been made a part of this policy.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. You have rejected this offer of coverage.

This endorsement does not change any other provision of the policy.

C *T5*04/23/09*TU 332636-00

0316265

GREAT AMERICAN INSURANCE CO

ORIGINAL COPY



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Tel: 1-513-389-5000

TAU 9568
(Ed. 11 97)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION

The following exclusion is added to Section IV - EXCLUSIONS:

Any "loss" for, caused by, arising out of, or in connection with the rendering of, manner of rendering or failure to render any professional service.

This endorsement does not change any other provision of the policy.

TAU 9568 (Ed. 11/97) XS



Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-389-5000

TAU 9553
(Ed. 09 98)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION EXCLUSION - TOTAL

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY

The following is added to Section IV - EXCLUSIONS:

This policy does not apply to any "loss," including but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants, arising out of or in any way related to:

1. The actual, alleged, or threatened presence, discharge, dispersal, seepage, migration, release, or escape of "pollutants," however caused.
2. Any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of "pollutants." This includes demands, directives, complaints, suits, orders or requests brought by any governmental entity or by any person or group of persons.

3. Steps taken or amounts incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize or assess the effects of "pollutants."

This exclusion will apply to any "loss," costs, charges, or expenses, or any judgments or settlements, arising directly or indirectly out of pollution whether or not the pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.

As used in this exclusion "pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including, but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

This endorsement does not change any other provisions of the policy.



TAU 9999
(Ed. 11/97)

GENERAL ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORGANIC PATHOGENS EXCLUSION

=====

THE FOLLOWING IS ADDED TO SECTION IV-EXCLUSIONS:

ANY AND ALL LIABILITY FOR "LOSS" OF ANY NATURE, INCLUDING, BUT NOT LIMITED TO SETTLEMENTS, JUDGMENTS, COSTS, CHARGES, EXPENSES, COSTS OF INVESTIGATIONS, OR THE FEES OF ATTORNEYS, EXPERTS, CONSULTANTS OR MEDICAL PERSONNEL, ARISING OUT OF, CAUSED BY, RESULTING FROM, CONTRIBUTED TO, AGGRAVATED BY, OR RELATED IN ANY WAY, EITHER DIRECTLY OR INDIRECTLY, AND EITHER IN WHOLE OR IN PART, TO:

1. ANY ACTUAL, ALLEGED OR THREATENED EXPOSURE TO, EXISTENCE OF, PRESENCE OF, INGESTION OF, INHALATION OF OR CONTACT WITH ANY "BIOLOGICAL AGENTS" WHETHER OR NOT OCCURRING ALONE, IN COMBINATION WITH, BEFORE, AFTER OR CONCURRENTLY WITH ANY OTHER CAUSE, CONTRIBUTING CONDITION OR CIRCUMSTANCE, OR AGGRAVATING FACTOR, WHETHER MANMADE, NATURAL, OR ANY COMBINATION OF MANMADE OR NATURAL.
2. ANY REQUEST, DEMAND, ORDER, REGULATORY OR STATUTORY REQUIREMENT THAT ANY INSURED OR OTHERS TEST FOR, MONITOR, CLEAN UP, REMOVE, CONTAIN, MAKE REPAIRS, TREAT, DECONTAMINATE, DETOXIFY, NEUTRALIZE, ABATE, OR IN ANY WAY RESPOND TO OR ASSESS ANY EFFECTS OF ANY "BIOLOGICAL AGENTS." THIS INCLUDES, BUT IS NOT LIMITED TO, ANY DEMAND, DIRECTIVE, COMPLAINT, SUIT, ORDER OR REQUEST BY ANY GOVERNMENTAL OR NONGOVERNMENTAL ENTITY OR BY ANY ORGANIZATION, PERSON OR GROUP OF PERSONS.
3. ANY CLAIM, PROCEEDING, STEPS TAKEN OR AMOUNTS INCURRED BY ANY GOVERNMENTAL OR NON-GOVERNMENTAL ENTITY OR BY ANY ORGANIZATION, PERSON OR GROUP OF PERSONS TO TEST FOR, MONITOR, CLEAN UP, REMOVE, CONTAIN, REPAIR, TREAT, DECONTAMINATE, DETOXIFY, NEUTRALIZE, ABATE, OR IN ANY WAY RESPOND TO OR ASSESS ANY EFFECTS OF ANY "BIOLOGICAL AGENTS."

THIS EXCLUSION APPLIES REGARDLESS OF WHETHER OR NOT THE "BIOLOGICAL AGENTS" OR ANY OF THEIR EFFECTS, WERE SUDDEN, ACCIDENTAL, GRADUAL, INTENDED, EXPECTED, UNEXPECTED, PREVENTABLE, NOT PREVENTABLE, MANMADE, NATURALLY OCCURRING, OR ANY COMBINATION OF THE FOREGOING.

AS USED IN THIS EXCLUSION, "BIOLOGICAL AGENTS" MEANS ANY:

1. BACTERIA, MILDEW, MOLD OR OTHER FUNGI, OTHER MICROORGANISMS, MYCOTOXINS, SPORES OR OTHER BY-PRODUCTS OF ANY OF THE FOREGOING;
2. VIRUSES OR OTHER PATHOGENS (WHETHER OR NOT A MICROORGANISM); OR
3. COLONY OR GROUP OF ANY OF THE FOREGOING.

THIS ENDORSEMENT DOES NOT CHANGE ANY OTHER PROVISION OF THE POLICY.



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TAU 9999
(Ed. 11/97)

GENERAL ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LANDFILLS OR DUMPSITES EXCLUSION

=====

THE FOLLOWING EXCLUSION IS ADDED TO SECTION IV. - EXCLUSIONS:

ANY "LOSS" BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO THE OWNERSHIP, MAINTENANCE, OPERATION OR USE OF ANY LANDFILL, DUMPSITE OR SIMILAR PROPERTY.

THIS ENDORSEMENT DOES NOT CHANGE ANY OTHER PROVISION OF THE POLICY.

**GREAT AMERICAN.**
INSURANCE GROUP

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580 Walnut Street
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TAU 9999
(Ed. 11/97)

GENERAL ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL ENDORSEMENT SUMMARY

=====

LISTED BELOW ARE THE TITLE AND NUMBER OF PAGES FOR EACH GENERAL ENDORSEMENT (TAU 9999 ED. 11 97) INCLUDED IN THIS POLICY AND LISTED IN THE FORMS AND ENDORSEMENTS SCHEDULE (TAU 9997 ED. 11 97):

1. ORGANIC PATHOGENS EXCLUSION - 1 PAGE
2. LANDFILLS OR DUMPSITES EXCLUSION - 1 PAGE

THIS ENDORSEMENT DOES NOT CHANGE ANY OTHER PROVISION OF THE POLICY.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

E. Notice of Occurrence

1. You must see to it that we are notified as soon as practicable of an occurrence which may result in a "loss" covered under this policy. To the extent possible, notice will include:

- a. how, when and where the occurrence took place;
- b. the names and addresses of any injured persons and witnesses;
- c. the nature and location of any injury or damage arising out of the occurrence.

2. If a claim or suit against any Insured is reasonably likely to involve this policy you must notify us in writing as soon as practicable.

3. You and any other involved Insured must

- a. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
- b. authorize us to obtain records and other information;
- c. cooperate with us in the investigation, settlement or defense of the claim or suit; and
- d. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.

4. The Insureds will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

F. Other Insurance

If other insurance applies to a "loss" that is also covered by this policy, this policy will apply excess of the other insurance. Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such other insurance. However, this provision will not apply if the other insurance is specifically written to be excess of this policy.

Other insurance includes any type of self-insurance or other mechanism by which an Insured arranges for funding of legal liabilities.

G. Terms Conformed to Statute

The terms of this Policy which are in conflict with the statutes of the state where this Policy is issued are amended to conform to such statutes. If we are prevented by law or statute from paying on behalf of the Insured, then we will, where permitted by law or statute, indemnify the Insured.

H. When "Loss" is Payable

Coverage under this policy will not apply unless and until the Insured or the Insured's underlying insurance has paid or is obligated to pay the full amount of the Underlying Limits of Insurance stated in Item 5. of the Declarations.

When the amount of "loss" has finally been determined, we will promptly pay on behalf of the Insured the amount of "loss" covered under the terms of this policy.

In Witness Whereof, we have caused this policy to be executed and attested, but this policy will not be valid unless countersigned by one of our duly authorized representatives, where required by law.

Ken Holley Herrell
Secretary

Carl H. Lindner III
President

V. DEFINITIONS

"Loss" means those sums which you are legally obligated to pay as damages, after making proper deductions for all recoveries and salvage.

VI. CONDITIONS

A. Appeals

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the Underlying Insurance, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II. of this policy.

B. Bankruptcy or Insolvency

The bankruptcy, insolvency or inability to pay of any Insured will not relieve us from our obligation to pay "loss" covered by this policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such underlying insurance, but will apply as if the underlying insurance was fully available and collectible.

C. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this policy. If we cancel because of nonpayment of premium, we must mail or deliver to you not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to you not less than thirty (30) days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1. of the Declarations will be sufficient to prove notice.

3. The policy period will end on the day and hour stated in the cancellation notice.

4. If we cancel, final premium will be calculated pro rata based on the time this policy was in force.

5. If you cancel, final premium will be more than pro rata; it will be based on the time this policy was in force and increased by our short rate cancellation table and procedure.

6. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

7. The first Named Insured in Item 1. of the Declarations will act on behalf of all other Insureds with respect to the giving and receiving of notice of cancellation and the receipt of any refund that may become payable under this policy.

8. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

D. Maintenance of Underlying Insurance

During the period of this policy, you agree:

1. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
2. That the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of aggregate limits by payment of claims or suits for "loss" covered by Underlying Insurance.

- b. has been discharged or dispersed therefrom;
- 2. the "nuclear material" is contained in "spent fuel" or "nuclear waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any insured; or
- 3. the injury or "nuclear property damage" arises out of the furnishing by any insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion B.3. applies only to "nuclear property damage" to such "nuclear facility" and any property therein.

As used in this exclusion:

- 1. "Hazardous properties" include radioactive, toxic or explosive properties.
- 2. "Nuclear facility" means:
 - a. any "nuclear reactor";
 - b. any equipment or device designed or used for:
 - (1) separating the isotopes of uranium or plutonium,
 - (2) processing or utilizing "spent fuel," or
 - (3) handling, processing or packaging "nuclear waste";
 - c. any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "nuclear waste," and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;
- 3. "Nuclear material" means "source material," "special nuclear material" or "by-product material."
- 4. "Nuclear property damage" includes all forms of radioactive contamination of property.
- 5. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- 6. "Nuclear Waste" means any "nuclear waste" material:
 - a. containing "by-product material" other than the tailings of "nuclear wastes" produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and
 - b. resulting from the operation by any person or organization of any "nuclear facility" included within the definition of "nuclear facility" under Paragraph C.2.a. or C.2.b.
- 7. "Source material," "special nuclear material," and "by-product" material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- 8. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

riod of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. DEFENSE

- A. We will not be required to assume charge of the investigation of any claim or defense of any suit against you.
- B. We will have the right, but not the duty, to be associated with you or your underlying insurer or both in the investigation of any claim or defense of any suit which in our opinion may create liability on us for "loss" under this policy. If we exercise such right, we will do so at our own expense.
- C. If all Underlying Limits of Insurance stated in Item 5. of the Declarations are exhausted solely by payment of "loss," we shall have the right but not the duty to investigate and settle any claim or assume the defense of any suit which in our opinion may give rise to a "loss" under this policy. Such investigation or defense shall be at our own expense. We may, however, withdraw from the defense of such suit and tender the continued defense to you if our applicable Limits of Insurance stated in Item 4. of the Declarations are exhausted by payment of "loss."

IV. EXCLUSIONS

This policy does not apply to:

- A. Any "loss," including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants arising out of or related in any way, either directly or indirectly, to:
 - 1. asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust, including, but not limited to, manufacture, mining, use, sale, installation, removal, or distribution activities;

- 2. exposure to testing for, monitoring of, cleaning up, removing, containing or treating of asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust; or
- 3. any obligation to investigate, settle or defend, or indemnify any person against any claim or suit arising out of, or related in any way, either directly or indirectly, to asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust.

B. Any "loss":

- 1. with respect to which any Insured under this policy is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic, Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an Insured under any such policy but for its termination upon exhaustion of its Limit of Insurance; or
- 2. resulting from the "hazardous properties" of "nuclear material" and with respect to which:
 - a. a person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or
 - b. any Insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

Any injury or "nuclear property damage" resulting from the "hazardous properties" of "nuclear material", if:

- 1. the "nuclear material"
 - a. is at any "nuclear facility" owned by, or operated by or on behalf of, any Insured; or



Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-389-5000

TAU 9500
(Ed 11 97)

EXCESS LIABILITY POLICY

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Words and phrases in quotation marks have special meaning and can be found in the Definitions Section or the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations we agree with you to provide coverage as follows:

INSURING AGREEMENTS

I. COVERAGE

We will pay on behalf of the Insured "loss" in excess of the Underlying Limits of Insurance shown in Item 5. of the Declarations, but only up to an amount not exceeding the Company's Limits of Insurance as shown in Item 4. of the Declarations. Except for the terms, conditions, definitions and exclusions of this policy, the coverage provided by this policy will follow the First Underlying Insurance Policy, as shown in Item 5. of the Declarations.

The inclusion or addition hereunder of more than one Insured shall not operate to increase the Company's Limits of Insurance beyond that set forth in Item 4. of the Declarations.

We will be furnished a complete copy of the First Underlying Insurance Policy described in Item 5. of the Declarations.

II. LIMITS OF INSURANCE

A. The Limits of Insurance shown in the Declarations and the rules below describe the most we will pay regardless of the number of:

1. Insureds;
2. claims made or suits brought; or
3. Persons or organizations making claims or bringing suits.

B. The Limits of Insurance of this policy will apply as follows:

1. This policy applies only in excess of the Underlying Limits of Insurance shown in Item 5. of the Declarations.
2. The aggregate limit shown in Item 4. of the Declarations is the most we will pay for all "loss" that is subject to an aggregate limit provided by the First Underlying Insurance Policy. The aggregate limit applies separately and in the same manner as the aggregate limits provided by the First Underlying Insurance Policy.
3. Subject to B.2., the occurrence limit stated in Item 4. of the Declarations is the most we will pay for all "loss" arising out of any one occurrence to which this policy applies.
4. Subject to Paragraphs B.2. and B.3. above, if the underlying Limits of Insurance stated in Item 5. of the Declarations are reduced or exhausted solely by payment of "loss," such insurance provided by this policy will apply in excess of the reduced Underlying Limits or, if all Underlying Limits are exhausted, will apply as underlying insurance subject to the same terms, conditions, definitions and exclusions of the First Underlying Insurance Policy, except for the terms, conditions, definitions and exclusions of this policy.
5. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining per-

GREAT AMERICAN
INSURANCE GROUP

Administrative Offices
580 Walnut Street
Cincinnati, Ohio 45202
Tel: 1-513-389-5000

TAU 9997 (Ed. 11 97)

EXCESS LIABILITY POLICY

FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

| | | Date Added* | | ST | Date Deleted | Form Description |
|------------------|----------|-------------|----|----|--------------|---|
| Form and Edition | | or | | | | |
| 1. | ✓TAU9501 | 11/97 | WA | | | EXCESS LIABILITY POLICY DECLARATION |
| 2. | ✓TAU9997 | 11/97 | WA | | | EXCESS LIABILITY F&E SCHEDULE |
| 3. | ✓TAU9500 | 11/97 | WA | | | EXCESS LIABILITY POLICY |
| 4. | ✓TAU9553 | 09/98 | WA | | | POLLUTION EXCLUSION - TOTAL |
| 5. | ✓TAU9568 | 11/97 | WA | | | PROFESSIONAL LIA EXCL |
| 6. | ✓TAU9628 | 01/98 | WA | | | WA CHANGES-CANCELLATION/NONRENEWAL |
| 7. | ✓GAT6473 | 01/08 | WA | | | DISC PURSUANT TERR RISK ACT REJECTN |
| 8. | ✓GAT6455 | 01/08 | WA | | | EXCL CERTIFIED ACTS OF TERRORISM |
| 9. | ✓GAT6650 | 03/03 | WA | | | WAR LIABILITY EXCLUSION |
| 10. | ✓TAU9999 | 11/97 | WA | | | GENERAL ENDORSEMENT |
| 11. | ✓TAU9999 | 11/97 | WA | | | GENERAL ENDORSEMENT <i>landfills</i> |
| 12. | ✓TAU9999 | 11/97 | WA | | | GENERAL ENDORSEMENT <i>organic Path</i> |
| 13. | | | | | | |
| 14. | | | | | | |
| 15. | | | | | | |
| 16. | | | | | | |
| 17. | | | | | | |
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| 19. | | | | | | |
| 20. | | | | | | |
| 21. | | | | | | |
| 22. | | | | | | |

*If not at inception



Administrative Offices
580 Walnut Street
Cincinnati, OH 45202
513.369.5000 ph

Policy No. TUE 0-33-26-36 - 00
Renewal Of NEW

EXCESS LIABILITY POLICY DECLARATIONS

ITEM 1. NAMED INSURED AND MAILING ADDRESS:
CLEANSCAPES, INC.
5939 4TH AVENUE S.
SEATTLE, WA 98108

ITEM 2. POLICY PERIOD:
12:01 A.M. Standard Time at the
mailing address of the Named
Insured shown at left.
From 03/30/2009 To 03/30/2010

IN RETURN FOR PAYMENT OF THE PREMIUM,
AND SUBJECT TO ALL TERMS OF THIS
POLICY, WE AGREE WITH YOU TO PROVIDE
THE INSURANCE AS STATED IN THIS
POLICY.

AGENT'S NAME AND ADDRESS:
SWETT & CRAWFORD
720 OLIVE WAY, 18TH FLOOR
SEATTLE, WA 98101

Service Fee \$250.00

Insurance is Afforded by Company indicated below:
GREAT AMERICAN INSURANCE COMPANY
(A capital stock corporation)

ITEM 3. POLICY PREMIUM:

\$ 20,000.

POLICY MINIMUM PREMIUM:

\$ 5,000.

PREMIUM BASIS: (X) Flat () Auditable

ITEM 4. LIMITS OF INSURANCE:

The Company's Liability under this policy will not exceed the
following limit: 100 percent of "loss" excess of Underlying
Insurance stated in Item 5. of the Declarations, but for no
greater than:

\$ 10,000,000. Each Occurrence

\$ 10,000,000. Aggregate Limit (where applicable)

ITEM 5. SCHEDULE OF UNDERLYING INSURANCE:

First Underlying Insurance Policy
Insurer, Policy No., Policy Period

✓ EVERST NATIONAL

POLICY: 71G3000025-091 - 3/30/09 - 10 ✓

Applicable Limit

\$ 10,000,000.

Each Occurrence

\$ 10,000,000.

Aggregate Limit

(where applicable)

Other Underlying Insurance (Excess
of First Underlying Insurance Policy)

N/A

Applicable Limit

\$ N/A

Each Occurrence

\$ N/A

Aggregate Limit

(where applicable)

ITEM 6. FORMS AND ENDORSEMENTS applicable to all Coverage Forms and made part
of this policy at time of issue are listed on the attached Forms and
Endorsements Schedule, TAU 9997 (Ed. 11/97).

Countersigned _____

Date

By _____

Authorized Representative

Everest National Insurance Company
Everest Indemnity Insurance Company
Everest Reinsurance Company



C.V. Starr & Co. - Excess Liability Program - Claim Reporting Guidelines

The Everest Claim Department is dedicated to providing prompt, thorough and professional claims service. Timely submission of Loss Notices complies with the terms and conditions of your policy, and assists us in providing quality service to our policyholders.

Please Send All Excess Liability Loss Notices To:

Casualty Claims Department
Everest National Insurance Co.
P.O. Box 830
477 Martinsville Road
Liberty Corner, NJ 07938
(908) 604-3000

Claims E-mail: everestnationalclaim@everestre.com
Claims Fax: (866) 283-4856

Loss Notices may be submitted via certified mail, faxed or e-mailed. If immediate attention is needed, e-mailing or faxing the Loss Notice and/or Claim or Litigation information is strongly recommended.

Consult Your Policy For Loss Reporting Requirements

Your policy details the information to be submitted with a First Notice of Loss. This is often found in the General Conditions section, although it may be changed by an endorsement. Additionally, the following information/documentation will always be helpful in assisting us with our evaluation.

- Citing Everest's policy, or claim number, in all correspondence.
- Providing a copy of any suit, demand for arbitration or mediation, a governmental agency notice, claim letter or any similar notice.
- Sending a copy of any internal reports related to the loss.
- Forwarding copies of status reports prepared by your defense counsel and/or your claim handler, if the case has been pending for a period of time.

Everest will always acknowledge each First Notice of Loss, initiate contact to open lines of communication, and will request any additional information that may be needed. Our formal claims acknowledgment will identify Everest's claims person responsible for handling your reported Claim, and their specific contact information.

If you have questions or would like to discuss a specific loss with one of our Claims Team members, please feel free to contact us. Thank you.

Q. 5. Something awful just happened and it's all over the newspapers. We don't have any claims yet, but we think we may get them. Should we wait for the claims to come in or report it now?

A. Report it now! The policy provides Everest with certain rights. Among them are the right to participate in the investigation and potential settlement of claims. The sooner we are involved, the better.

Q. 6. If we do have a big claim, will Everest just take over?

A. The policy spells out our mutual obligations and should always be consulted. Generally, an excess policy does not have an obligation to defend or to investigate a claim, although there are exceptions. Also, there are situations in which we may have the right to approve your defense counsel. We always have the right, but not necessarily the obligation to participate in the investigation and defense. Should we choose to participate, we will work proactively with your primary insurer, any third-party administrator, defense counsel and anyone else on your defense team to conclude the case on the best possible terms.

Q. 7. We have handled a claim for awhile and it has now eroded more than half of the primary coverage, and/or our retained limit underlying our Excess Policy with Everest. It's still open and it will be open for awhile. We aren't sure of how much more it will cost. Do you want to know about this?

A. Yes. If the claim is still open and the underlying amounts have been eroded to this extent, we do need to know. We will assess the situation independently and decide whether to become actively involved or to monitor the progress of the claim. A good general rule of thumb is that if half of the underlying is either spent or committed to be spent, notify Everest.

It is very important that you read your policy and understand all of your rights and responsibilities under it. Everest's Claim Team is dedicated to providing prompt, thorough and professional service in accordance with the terms and conditions of the policy.

If you have any questions, please feel free to contact:

**Casualty Claims Department
Everest National Insurance Co.
P.O. Box 830
477 Martinsville Road
Liberty Corner, NJ 07938
(908) 604-3000**

**Claims E-mail: everestnationalclaim@everestre.com
Claims Fax: (866) 283-4856**

This guideline is merely for illustrative purposes and does not purport to address every situation or circumstance that may arise. Notwithstanding any statements made herein, nothing contained in this guideline is intended to replace, modify or waive any terms, conditions, or warranties contained in the policy. Everest expressly reserves and does not waive any and all its rights and protections afforded under the policy.

C.V. Starr & Co. - Excess Liability Claim Reporting Guidelines - FAQs

Your excess liability policy has been written to protect you from certain large exposures. Typically, there is at least one primary insurance policy and/or a self-insured retention that must respond before your excess policy. It's easy to know when to report a claim to a primary insurer; they receive everything. When it comes to reporting an excess loss, these frequently-asked-questions are intended to assist you, the policyholder. They are merely illustrative, they do not replace the policy and they do not address every situation. If you have questions about claim reporting, call Everest. Our contact information is at the end of page 2.

Q. 1. When should I report a claim to Everest, my excess insurer?

- A. Each Everest policy provides a section that describes when Everest should be notified and what information should be sent. You need to be familiar with these provisions. Your coverage indicates which losses must be reported immediately. For example, losses involving severe bodily injuries and/or extensive property damage should be submitted immediately. It is also wise to submit claims that involve multiple individuals, such as class actions or vehicular accidents in which several people are hurt. If you are not sure whether a claim qualifies for reporting, send it in.

Q. 2. Doesn't my primary insurer report automatically to my excess carrier?

- A. No. Most often the primary carrier is not immediately aware of the identity of the excess carrier. It is ultimately your responsibility to notify us.

Q. 3. Won't my broker automatically report a loss to my excess insurer?


- A. No, though some may. You may wish to specifically delegate this responsibility to your broker. However, Everest's policy was issued to you and it is your ultimate contractual responsibility to report losses.

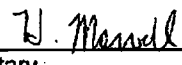
Q. 4. Our primary insurer is defending us in a lawsuit. The policy limit is \$1m. The plaintiff just demanded a \$1.5m settlement. Our attorney doesn't think the case has a value of even \$1m. Should I report it to Everest?

- A. Yes! Any demand that is even close to the primary limit means that there is potential for recovery beyond the primary limit. Everest must be informed of this pending claim. We will evaluate the claim and draw our own conclusions.

This policy is signed by officers of the Company shown on the Declarations page of this policy.

For: Everest National Insurance Company


President


Secretary

5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraph C.5. or C.6. are exceeded.

With respect to this Exclusion, Paragraphs C.5. and C.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this insurance.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON AUTO EXCLUSION OF TERRORISM COVERAGE

This endorsement modifies insurance provided under the following:

PUBLIC ENTITIES EXCESS LIABILITY

COMMERICAL EXCESS LIABILITY COVERAGE PART

A. The provisions of this endorsement:

1. Apply only to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" to which this insurance applies; and
2. Supersede the provisions of any other endorsement addressing terrorism attached to this Coverage Part only with respect to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" to which this insurance applies.

B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
 - a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

2. "Any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". **But this Exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

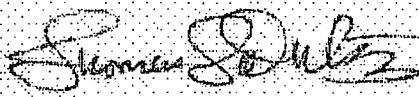
Paragraph 9. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – Conditions is revised by the addition of the following:

We shall be entitled to a recovery only after the insured has been fully compensated for damages.

**COMMERCIAL EXCESS LIABILITY POLICY
SCHEDULE OF UNDERLYING INSURANCE**

| | |
|---|--|
| Named Insured: Cleanscapes, Inc. | Effective Date: March 30, 2009 |
| Policy Number: 71G3000025-091 | Issuing Company: Everest National Insurance Company |

The declarations, schedule(s), and all terms and conditions complete this insurance Policy.

| Type of Policy or Coverage and Insurer, Policy Number and Policy Period | Limits of Insurance |
|---|---|
| A. "First Underlying Insurance" Policy(ies) | |
| Coverage: <input checked="" type="checkbox"/> General Liability Carrier: <input checked="" type="checkbox"/> Alaska National Insurance Company Policy No.: <input checked="" type="checkbox"/> 09CPS31978 Policy Period: <input checked="" type="checkbox"/> 03/30/2009 to 03/30/2010 | <input checked="" type="checkbox"/> \$1,000,000 Each "Occurrence" <input checked="" type="checkbox"/> \$2,000,000 General Aggregate <input checked="" type="checkbox"/> \$2,000,000 Products / Completed Operations |
| Coverage: <input checked="" type="checkbox"/> Automobile Liability Carrier: <input checked="" type="checkbox"/> Alaska National Insurance Company Policy No.: <input checked="" type="checkbox"/> 09CAS31978 Policy Period: <input checked="" type="checkbox"/> 03/30/2009 to 03/30/2010 | <input checked="" type="checkbox"/> \$1,000,000 Combined Single Limit |
| Coverage: <input checked="" type="checkbox"/> Employers Liability Carrier: <input checked="" type="checkbox"/> Alaska National Insurance Company Policy No.: <input checked="" type="checkbox"/> 09CPS31978 Policy Period: <input checked="" type="checkbox"/> 03/30/2009 to 03/30/2010 | <input checked="" type="checkbox"/> \$1,000,000 Each Accident <input checked="" type="checkbox"/> \$1,000,000 Disease - Each Employee <input checked="" type="checkbox"/> \$1,000,000 Disease - Policy Limit |
| Coverage: <input checked="" type="checkbox"/> Employee Benefits Carrier: <input checked="" type="checkbox"/> Alaska National Insurance Company Policy No.: <input checked="" type="checkbox"/> 09CPS31978 Policy Period: <input checked="" type="checkbox"/> 03/30/2009 to 03/30/2010 | <input checked="" type="checkbox"/> \$1,000,000 Each Employee <input checked="" type="checkbox"/> \$2,000,000 Aggregate |
| B. Other "Underlying Insurance" Policy(ies) | |
| Coverage: Carrier: Policy No.: Policy Period: | |
| Coverage: Carrier: Policy No.: Policy Period: | |
| Date of Issue: April 20, 2009 | Authorized Representative:  |

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

G. Nonrenewal

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of nonrenewal. We will mail or deliver these notices at least 45 days before the:

- a. Expiration of the policy; or
- b. Anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- a. The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker, at least 20 days before the expiration date;

- b. Other coverage acceptable to the insured has been procured prior to the expiration date of the policy; or

- c. The policy clearly states that it is not renewable, and is for a specific line, subclassification, or type of coverage that is not offered on a renewable basis.

2. If:

- a. You are an individual;
- b. A covered auto you own is of the "private passenger type"; and
- c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

the following applies to nonrenewal of the Commercial Automobile Coverage Part in place of G.1.:

- a. We may elect not to renew or continue this policy by mailing or delivering to you and your agent or broker written notice at least 20 days before the end of the policy period including the actual reason for nonrenewal. If the policy period is more than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- b. We will not refuse to renew Liability Coverage or Collision Coverage solely because an "insured" has submitted claims under Comprehensive Coverage or Towing and Labor Coverage.
- c. If we fail to mail or deliver proper notice of nonrenewal and you obtain other insurance this policy will end on the effective date of that insurance.

5. We will also mail or deliver to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. If cancellation is for reasons other than those contained in Paragraph A.3. above, this notice will be the same as that mailed or delivered to the first Named Insured. If cancellation is for a reason contained in Paragraph A.3. above, we will mail or deliver this notice at least 20 days prior to the effective date of cancellation.
6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund unless the following applies:
 - a. For Division Two – Equipment Breakdown, if the first Named Insured cancels, the refund will be at least 75% of the pro rata refund.
 - b. If:
 - (1) You are an individual;
 - (2) A covered auto you own is of the "private passenger type";
 - (3) The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards; and
 - (4) The first Named Insured cancels;

the refund will be not less than 90% of any unearned portion not exceeding \$100, plus 95% of any unearned portion over \$100 but not exceeding \$500, and not less than 97% of any unearned portion in excess of \$500.

The cancellation will be effective even if we have not made or offered a refund.
8. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

The policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspection And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

WASHINGTON COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

The conditions in this endorsement replace any similar conditions in the policy that are less favorable to the insured.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 45 days before the effective date of cancellation if we cancel for any other reason;
 except as provided in Paragraphs 3. and 4. below.
3. We may cancel the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, if made a part of this policy, by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation at least 5 days before the effective date of cancellation for any structure where 2 or more of the following conditions exist:
 - a. Without reasonable explanation, the structure is unoccupied for more than 60 consecutive days, or at least 65% of the rental units are unoccupied for more than 120 consecutive days unless the structure is maintained for seasonal occupancy or is under construction or repair;
 - b. Without reasonable explanation, progress toward completion of permanent repairs to the structure has not occurred within 60 days after receipt of funds following satisfactory adjustment or adjudication of loss resulting from a fire;
 - c. Because of its physical condition, the structure is in danger of collapse;

- d. Because of its physical condition, a vacation or demolition order has been issued for the structure, or it has been declared unsafe in accordance with applicable law;
- e. Fixed and salvageable items have been removed from the structure, indicating an intent to vacate the structure;
- f. Without reasonable explanation, heat, water, sewer, and electricity are not furnished for the structure for 60 consecutive days; or
- g. The structure is not maintained in substantial compliance with fire, safety and building codes.

4. If:

- a. You are an individual;
- b. A covered auto you own is of the "private passenger type"; and
- c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

we may cancel the Commercial Automobile Coverage Part by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for cancellation, to the last mailing address known to us:

- a. At least 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. At least 10 days before the effective date of cancellation for any other reason if the policy is in effect less than 30 days; or
- c. At least 20 days before the effective date of cancellation for other than nonpayment if the policy is in effect 30 days or more; or
- d. At least 20 days before the effective date of cancellation if the policy is in effect for 60 days or more or is a renewal or continuation policy, and the reason for cancellation is that your driver's license or that of any driver who customarily uses a covered "auto" has been suspended or revoked during policy period.

9. "Nuclear waste" means any waste material (a) containing "by-product material" and (b) resulting from the operation by any person or organization of a "nuclear facility" included within the definition of "nuclear facility".
10. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
11. "Pollution cost or expense" means any loss, cost or expense arising out of any:
 - a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - b. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".
12. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof.
13. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
14. "Suit" as defined in the "first underlying insurance" applies to this insurance. If the term "suit" is not defined in the "first underlying insurance":
 - a. "Suit" means a civil proceeding in which damages to which this insurance applies are alleged; and
 - b. "Suit" includes (1) an arbitration proceeding in which such damages are claimed and to which any insured must submit or does submit with our consent; and (2) any other alternative dispute resolution proceeding in which such damages are claimed and to which any insured submits with our consent.
15. "Underlying insurance" means the "first underlying insurance", any self-insured retention and any policies of insurance listed in the Declarations under the schedule of "underlying insurance". "Underlying insurance" will include any renewal or replacement of such policies and any "other insurance" available to you.
16. "Underlying limits of insurance" means the total sum of the limits of all applicable "underlying insurance" listed under this policy's Declarations.
17. "Underlying insurer" means any insurer who provides any policy of insurance listed in the schedule of "underlying insurance".
18. "Ultimate net loss" means the total sum, after reduction for recoveries, salvages collectible and "other insurance", that the insured becomes legally obligated to pay as damages under this policy by reason of settlements, judgments, arbitration or other alternate dispute method entered into with our consent or the "underlying insurer's" consent.

SECTION V – DEFINITIONS

1. "Defense expenses" mean payments allocated to a specific claim or "suit" for its investigation, settlement, or defense, including:
 - a. Attorney fees and all other litigation expenses;
 - b. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance;
 - c. The approved Claims Organization service expenses or fees;
 - d. All court costs taxed against the insured in the claim or "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured;
 - e. Prejudgment interest awarded against the insured on that part of the judgment you pay within the applicable self insured retention;
 - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before you have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable self-insured retention; and
 - g. Any amount under Paragraph A. 2. of SECTION I-COVERAGES.

"Defense expenses" do not include normal operating expenses, salaries or expenses of our employees or your employees.

2. "Hazardous properties" includes radioactive, toxic or explosive properties.
3. "First underlying insurance" means the policy listed in the Declarations under the schedule of "underlying insurance" as the "first underlying insurance".
4. "Occurrence" as defined in the "first underlying insurance" applies to this insurance, whether described as an "occurrence", injury, accident, offense, act, incident, error, omission, event or wrongful act.
5. "Other insurance" means insurance which is available to any insured and covers injury or damage to which this insurance applies, other than:
 - a. "Underlying insurance"; or
 - b. Insurance which is specifically purchased by you to be excess of the insurance afforded by this insurance.
6. "Nuclear facility" means:
 - a. Any nuclear reactor;
 - b. Any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing "spent fuel", or (iii) handling, processing or packaging "nuclear waste";
 - c. Any equipment or device used for the processing, fabricating, or alloying of "special nuclear material" if at any time the total amount of such material in the Insured's custody at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d. Any structure, basin, excavation, premises or place prepared or used for storage or disposal of "nuclear waste", and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
7. "Nuclear material" means "source material", "special nuclear material" or "by-product material".
8. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

9. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Any recoveries will be distributed as follows:

- a. First, we will be entitled to recover to the extent of our payment; and
- b. Next, any remaining amounts will be paid to the "underlying insurers" or any other party to the extent of their payment.

The expenses of the recovery will be distributed in proportion to the share of each party's recovery. But, if we conduct the recovery proceedings by ourselves:

- i. We will pay all expenses; and
- ii. If we make a recovery, we will be reimbursed in full from the recovery for our expenses before the recovery is distributed.

10. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

11. Unintentional Errors or Omissions

Your failure to disclose all hazards existing as of the inception date of this policy will not prejudice you with respect to the coverage afforded by this policy provided such failure or any omission is not intentional. However, you must report such failure or any omission to us as soon as practicable after its discovery.

12. Maintenance of Underlying Insurance

- a. You will maintain all of the "underlying insurance" listed in the schedule of "underlying insurance" in the Declarations in full force and effect throughout this policy period, except for reduction of aggregate limits due to payment of claims, settlements or judgments.
- b. Failure to maintain "underlying insurance" will not invalidate this insurance. However, this insurance will apply as if the "underlying insurance" were in full effect.
- c. You will notify us as soon as practicable when any "underlying insurance" is changed or no longer in effect.
- d. The first Named Insured will furnish us, a complete copy of the "underlying insurance" and any subsequently issued endorsements.

13. Endorsements To This Policy

Reference to Commercial Liability Umbrella or Commercial Excess Liability Coverage Part in any endorsement that is attached to or made a part of this policy will mean this policy.

14. Minimum Premium And Minimum Earned Premium

Earned premium will be subject to the Minimum Premium and the Minimum Earned Premium as stated in the Declarations. In the event of cancellation by you, there will be no return of any portion of the Minimum Earned Premium.

15. Office of Foreign Assets Control

Payments of loss under this insurance will only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

(7) Not at any time make or authorize an admission of liability or attempt to settle or otherwise dispose of any claim or "suit" without our written consent;

(8) If any "underlying insurer" denies coverage for any reason, see to it that we receive written notice of such denial as soon as practicable. Such notice will contain the reason for such denial as stated by the "underlying insurer".

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

4. Legal Action Against Us

No person or organization has a right under this policy:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for "ultimate net loss" that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

5. Other Insurance

a. This insurance is excess over, and will not contribute with any "other insurance", whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this insurance.

b. When this insurance is excess over "other insurance", we will pay only our share of the loss that exceeds the sum of:

(1) The total amount that all such "other insurance" would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self insured amounts under all that "other insurance".

6. Premium Audit

a. We will compute all premiums for this policy in accordance with our rules and rates.

b. The Premium for this policy, as stated in 6. of the Declarations is not subject to an adjustment unless a rate is stated in the Declarations or an endorsement is attached to this policy.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations Or Fraud

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us;

c. We have issued this policy in reliance upon your representations; and

d. This policy is void in any case of fraud by you as it relates to this policy or any claim under this policy.

8. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first named insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

- E. If a limit of insurance of the "underlying insurance" applies on an aggregate basis, and;
1. When such limit has been exhausted by payment of "suits", claims or "defense expenses" arising solely out of "occurrences" which took place during this policy period, this insurance applies excess of such exhausted limit; or
 2. When such limit has been reduced or exhausted by payment of "suits", claims or "defense expenses" arising out of "occurrences" which took place before or after this policy period, this insurance applies as if such payments had not been made.

SECTION IV - CONDITIONS

1. Appeals

- a. If the "underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "underlying limits of insurance", we may do so at our own expense.
- b. We will be liable for taxable costs, pre- and post-judgment interest and disbursements associated with such appeal. Such payments will not reduce the Limits of Insurance.

2. Bankruptcy

a. Bankruptcy or Insolvency of Insured (Or Inability To Pay)

Bankruptcy or insolvency of the insured or the insured's estate does not relieve us of our duties.

b. Bankruptcy or Insolvency of Underlying Insurer

If any "underlying insurer" becomes bankrupt or insolvent, this insurance:

- (1) Does not replace such "underlying insurance"; and
- (2) Applies as though such "underlying insurance" was available and collectible.

3. Duties In The Event of Occurrence, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim under this policy. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" took place;
 - (2) The names and addresses of any injured persons and witnesses;
 - (3) The nature and location of any injury or damage arising out of the "occurrence"; and
 - (4) All information available to identify this policy, including the name of any "insured".
- b. If a claim is made or "suit" is brought against any insured which may result in a claim under this policy, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
- c. For any claim or "suit" which may result in a claim under this policy, you and any other involved insured or their representative must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit";
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply;
 - (5) Take all necessary steps to protect any insured's and our interests;
 - (6) Cooperate with "underlying insurers", as required by their terms and conditions;

SECTION II - WHO IS AN INSURED

The following persons and organizations are insured under this insurance:

1. Any person or organization qualifying as such under the "first underlying insurance".
2. Any additional insured qualifying as such under the "first underlying insurance", but only:
 - a. To the extent of the insurance provided the additional insured under the "first underlying insurance", and not otherwise excluded by this policy; and
 - b. Where coverage is required to be provided to an additional insured under a contract or agreement. However, the Limits of Insurance afforded the additional insured in this paragraph shall be the lesser of the following:
 - i. The minimum limits of insurance required in the contract or agreement between you and the additional insured; or
 - ii. The Limits of Insurance shown in the Declarations of this policy.
3. Newly acquired or formed organizations, if:
 - a. The organization is acquired by you during the policy period through consolidation, purchase of assets, merger, or assumption of control and active management;
 - b. The "first underlying insurance" and all other "underlying insurance" have added the organization as an insured;
 - c. You provide notice to us; and
 - d. We endorse the organization as an insured onto this policy.

Any newly acquired or formed organizations endorsed onto this policy may be subject to an additional premium and to a premium audit.

SECTION III - LIMITS OF INSURANCE

- A. The Limits of Insurance shown under this policy's Declarations and the rules below fix the most we will pay regardless of the number of:
 1. Insureds;
 2. Claims made, "suits" brought, or number of vehicles involved; or
 3. Persons or organizations making claims or bringing "suits".
- B. The Limits of Insurance of this policy will apply as follows:
 1. This policy only applies in excess of the "underlying limits of insurance".
 2. The Aggregate Limit is the most we will pay for the "ultimate net loss" that is subject to an aggregate limit provided by the "first underlying insurance". The Aggregate Limit applies separately and in the same manner as the aggregate limits provided by the "first underlying insurance".
 3. Subject to Paragraph B. 2. above, the Each Occurrence limit is the most we will pay for the sum of all "ultimate net loss" arising out of any one "occurrence" to which this policy applies.
- C. If "defense expenses" are included within and erode the limits of insurance of the "first underlying insurance" then "defense expenses" are included within and erode the Limits of Insurance of this policy on the same basis as the "first underlying insurance". If "defense expenses" do not reduce the limits of insurance of the "first underlying insurance" then they do not reduce the Limits of Insurance of this policy.
- D. If, after this policy is issued, we extend the policy period, we will consider the additional period as part of the original policy period to determine how to apply the Aggregate Limit, as described in Paragraph B. 2. above.

2. Nuclear

a. Any liability:

- (1) With respect to which the insured is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability-Property Insurance Assoc., Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or any organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, (b) the insured is, or had this policy not been available would be, entitled to indemnity from the United States of America or any agency thereof, under any agreement entered into by the United States of America or any agency thereof, with any person or organization.

b. Any liability resulting from the hazardous properties of "nuclear material", if:

- (1) The "nuclear material" (1) is at any "nuclear facility" owned by the insured or operated by the insured or on the insured's behalf, or (2) has been discharged or dispensed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "nuclear waste" at any time possessed, handled, used, processed, stored, transported or disposed of by the insured or on the insured's behalf; or
- (3) The liability arises out of the furnishing by the insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to property damage to such "nuclear facility" and any property thereat.

For the purposes of this exclusion, liability for property damage includes all forms of radioactive contamination of property.

3. First Party Auto

Any loss, cost or expense payable under or resulting from any first party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

4. Pollution

- a. Any liability arising out of the actual, alleged or threatened discharge; dispersal, seepage, migration, release or escape of "pollutants" at any time.
- b. "Pollution cost or expense".

This exclusion does not apply if valid "underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits. Coverage provided will follow the provisions, exclusions and limitations of the "first underlying insurance".

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V - DEFINITIONS** or the Definitions of the "first underlying insurance".

SECTION I - COVERAGES

A. Insuring Agreement

1. Excess Liability

We will pay on behalf of the insured the amount of the "ultimate net loss" in excess of the "underlying limits of insurance" to which this insurance applies. The coverage provided by this policy will:

- a. Follow the terms, definitions, conditions and exclusions that are contained in the "first underlying insurance", unless otherwise directed by this policy, including any attached endorsements; and
- b. Not be broader than that provided by the "first underlying insurance".

2. Defense

We will have the right, but not the duty to defend or associate in the defense of the insured against any suit seeking damages to which this insurance may apply. If we exercise such right, any expense related to such right will be "defense expenses" under this policy. After the limits of this policy are used up in the payment of:

- a. Judgments;
- b. Settlements; or
- c. "Defense expenses", if "defense expenses" are included within and erode the limits of insurance of the "first underlying insurance",

we will not provide any defense under this policy.

B. Exclusions

This insurance does not apply to:

1. Asbestos

- a. Any liability arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of asbestos.
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of or in any way responding to or assessing the effects of asbestos by any insured or by any other person or entity.

ITEM 6. POLICY PREMIUM:

Advanced Premium
\$95,900

Minimum Premium
\$95,900

Minimum Earned Premium
\$16,250

Estimated Exposure
N/A

Rate Per
Flat

Audit Period
N/A

ITEM 7. NOTICES

In the event of an occurrence,
claim or "suit", send all pertinent
facts to:

Everest National Insurance Company
477 Martinsville Road
P.O. Box 830 Liberty Corner, NJ 07938-0830
1-800-438-4375

**ITEM 8. FORMS AND ENDORSEMENTS
APPLICABLE TO THIS POLICY ON
THE ORIGINAL DATE OF ISSUE:**

Title
Commercial Excess Liability Coverage Form
Washington Common Policy Conditions
Washington Changes
Exclusion of Certified Acts of Terrorism
Washington Auto Exclusion of Terrorism Coverage
Signature Page

Form No.
✓ EUM 00 522 02 07
✓ IL 01 46 09 07
✓ EU 01 21 09 00
✓ CU 21 33 01 08
✓ EUM 21 800 06 06
✓ EIL 00 515 03 07

**THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE
FORM(S) AND ANY ENDORSEMENT(S) COMPLETE THE ABOVE NUMBERED POLICY.**

The foregoing discloses all hazards insured hereunder known to exist at the inception date of this Policy, unless
otherwise stated herein by endorsement on this Policy.

COUNTERSIGNED

April 20, 2009
DATE

BY


AUTHORIZED REPRESENTATIVE

3-90 XS
1-0

Cheney

COMMERCIAL EXCESS LIABILITY DECLARATIONS

EVEREST NATIONAL INSURANCE COMPANY

477 Martinsville Road
P.O. Box 830 Liberty Corner, NJ 07938-0830
1-800-438-4375

| |
|---|
| Service Fee \$2,400.00 |
|---|

POLICY NUMBER: 71G3000025-091

RENEWAL OF: New

PRODUCER NAME: Swett & Crawford Corporation
ADDRESS: 720 Olive Way # 1800
Seattle, WA 98101

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM 1. NAMED INSURED: Cleanscapes, Inc.

ADDRESS: 5939 4th Ave. S.
Seattle, WA 98108

ITEM 2. POLICY PERIOD: FROM March 30, 2009 TO March 30, 2010
12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED SHOWN ABOVE.

ITEM 3. COVERAGE: Commercial Excess Liability

ITEM 4. LIMITS OF INSURANCE:

The Limits of Insurance, subject to all the terms of this Policy, are:

| | |
|---------------------|--|
| <u>\$10,000,000</u> | Each Occurrence |
| <u>\$10,000,000</u> | Annual Aggregate(s), Where Applicable (as defined in the "First Underlying Insurance" Policy(ies)) Excess of Underlying Insurance. |

ITEM 5. "UNDERLYING INSURANCE"

A. First Underlying Insurance Policy(ies)

Insurer

Policy No.

Policy Period

As per attached Schedule of Underlying Insurance

B. Other Underlying Insurance Policy(ies)

Insurer

Policy No.

Policy Period